

**FREEDOM OF INFORMATION
AND
PRIVACY ACTS**

**SUBJECT: BARKER/KARPIS GANG
BREMER KIDNAPPING**

FILE NUMBER: 7-576

SECTION : SUB 3 Section 4



FEDERAL BUREAU OF INVESTIGATION

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SUBJECT Barker/Karpis Gang (Bremer Kidnapping)

FILE NUMBER 7-576 Sub 3

SECTION NUMBER 4

SERIALS 76-85

TOTAL PAGES 103

PAGES RELEASED 103

PAGES WITHHELD 0

EXEMPTION(S) USED -

Federal Bureau of Investigation
United States Department of Justice

732 Rust Building
Tacoma, Washington

March 16, 1937

Director
Federal Bureau of Investigation
Washington, D. C.

Re: ^O Brekid

Dear Sir:

Reference is made to my letter of March 12, 1937, as to the assignment of additional personnel in order to adequately cover the telephone taps established and expected to be established at Hot Springs, Arkansas. Special Agent H. B. Dill now assigned at Cleveland, who has been working on this case, it is believed would be a desirable employee for assignment at Hot Springs for work on this case in connection with the additional personnel required.

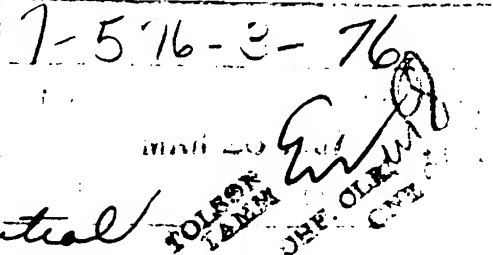
In connection with letter of the Little Rock Division of March 12, 1937, indicating that Special Agent J. M. Jones had returned to Chicago due to the death of his wife's father, it is suggested as soon as conditions will permit that Agent Jones be returned to Little Rock due to his familiarity particularly with the cable situation there and to handle the necessary additional telephone taps, and also to maintain the necessary work and surveillance to discontinue these taps should at any time a possibility exist as to their being detected.

Very truly yours,

E. J. Connelley
E. J. Connelley
Inspector

EJC.B
cc Chicago
Cleveland
Cincinnati
Little Rock

RECORDED



Personal and Confidential

Mr. Nathan
Mr. Tolson
Mr. Baughman
Mr. Clegg
Mr. Coffey
Mr. Dawsey
Mr. Egan
Mr. Foxworth
Mr. Glavin
Mr. Harbo
Mr. Joseph
Mr. Lester
Mr. Nichols
Mr. Quinn
Mr. Schilder
Mr. Tamm
Mr. Tracy
Miss Gandy

WAT:TMF

RECORDED 7-576-3-76 March 25, 1937

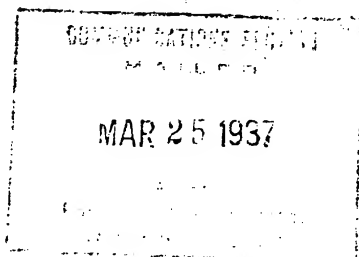
Mr. E. J. Connelley,
732 Rust Building,
Tacoma, Washington.

Dear Sir:

Relative to your letter of March 16, 1937 pertaining to the matter of having Special Agent J. M. Jones of the Chicago Field Division returned to Hot Springs, Arkansas, in order to place certain telephone taps necessary in connection with the investigation of the harboring cases pending at that point, you are advised that Special Agent V. I. Perry of the Oklahoma City Office, who is qualified in telephone surveillance work, has been instructed to proceed to Hot Springs to install the necessary taps in connection with this case. In the event it is found that Agent Perry is unable to place these taps arrangements will be made to have Agent Jones return to Hot Springs.

Very truly yours,

John Edgar Hoover,
Director.



em

Federal Bureau of Investigation
United States Department of Justice

732 Rust Building
Tacoma, Washington

March 22, 1937

Director
Federal Bureau of Investigation
Washington, D. C.

Re: George Timiney; Dr. Joseph P. Moran,
with aliases, Fugitive - I.O. #1232,
et al - Edward George Bremer, Victim;
Kidnaping; Obstruction of Justice;
Harboring of Fugitives;
National Firearms Act

Dear Sir:

Reference is made to Bureau letter of March 17, 1937, (7-576-3) as to the fact that plants were being maintained at 209 Cedar Street and 207 Laurel Street, Hot Springs, Arkansas, without proper authority having been obtained from the Bureau for the necessary expenditures to maintain these plants.

Definite and specific instructions were given to Special Agent in Charge J. B. Little at the time these plants were discussed and contemplated that if and when plants were established in connection with telephones which were to be tapped, the necessary authority should be obtained from the Bureau as to the necessary expenses in connection with these taps, and the necessary authority also be obtained as to establishing taps on the telephones which were to be tapped.

RECORDED
&
INDEXED.

7-576-3-77

EJC.B
cc Little Rock
Cincinnati
Cleveland
TAMM
ONE

Very truly yours,

E. J. Connelley
E. J. Connelley
Inspector

Post Office Box #1469
Little Rock, Arkansas
March 22, 1937

PERSONAL AND CONFIDENTIAL

Director
Federal Bureau of Investigation
Washington, D. C.

Dear Sir:

In maintaining the telephone taps at Hot Springs, Arkansas, in connection with the Brekid case, four single phone head sets are now in use. Two of these sets belong to the Little Rock Division, one being carried on the original inventory and the other being added to the inventory recently when the same was received from the Bureau. One of the remaining two sets was brought to Little Rock by Special Agent G. R. McSwain from the Oklahoma City Division and the other set was forwarded to the Little Rock Division by the Nashville Division.

It is requested that the Bureau forward to the Little Rock Division one single head phone set, with condenser, in order that I may meet any emergency that may arise.

Very truly yours,

CHAPMON FLETCHER,
Special Agent in Charge.

BLD: IN
7-2

RECORDED
&
INDEXED.

7-576-3-77X

Mr. Nathan ✓
Mr. Tol ✓
Mr. Paul ✓
Mr. Clary ✓
Mr. Carter ✓
Mr. Dwyer ✓
Mr. Egan ✓
Mr. Howard ✓
Mr. Jones ✓
Mr. L. Ho ✓
Mr. Joseph ✓
Mr. Lester ✓
Mr. M. Ho ✓
Mr. O'Neil ✓
Mr. P. Ho ✓
Mr. Q. Ho ✓
Mr. R. Ho ✓
Mr. S. Ho ✓
Mr. T. Ho ✓
Mr. U. Ho ✓
Mr. V. Ho ✓
Mr. W. Ho ✓
Mr. X. Ho ✓
Mr. Y. Ho ✓
Mr. Z. Ho ✓

73

UNRECORDED COPY FILED IN 66-214-66-173
INDEXED COPY FILED IN 66-131-1530

X 10 m. 10 ft. 10 yd.

June 7/1/39
WJH

607 U. S. Court House
Foley Square
New York, N. Y.

WV McL: BWC
7-120

March 26, 1937

Special Agent in Charge,
Little Rock, Arkansas.

RE: BREKID

Dear Sir:

Referring to your letter of February 8, 1937, extensive investigation was made by Special Agent W. V. McLaughlin of this field division in an effort to ascertain the identity of the Jim Farr, possibly Pharr, mentioned in your reference letter.

At the Identification Bureau of the New York City Police Department, investigation failed to disclose anyone listed under the name of Jim Farr, Pharr, Carr, Parr, who would answer the description of being a gangster and killer.

Inquiry among detectives attached to the main office squad and various precincts of the New York Police Department, who are very familiar with the New York City underworld situation, disclosed that they knew of no one of that name. In the event further investigation is desired concerning the above named person, it is requested that a physical description be set forth for the guidance of the New York Field Division.

Very truly yours,

RECORDED & INDEXED

R. Whitley, BUREAU OF INVESTIGATION
Special Agent in Charge.

MAR 27 1937

cc Bureau
cc Cincinnati

Post Office Box 1469,
Little Rock, Arkansas,
March 24, 1937.

PERSONAL AND CONFIDENTIAL

Special Agent in Charge,
New York City, New York.

Re: BREKID.

Dear Sir:

As a result of the confidential set-up presently in operation at Hot Springs, Arkansas, it was learned through the medium of Herbert "Dutch" Akers, Chief of Detectives, Hot Springs Police Department, that one Costello, who is reported to be a partner of Charles "Lucky" Luciano, is presently residing at the Arlington Hotel in Hot Springs. It was also learned that seven members of the Luciano mob are likewise in Hot Springs with Costello, and are probably living at the Arlington. The identities of Costello and the seven men in his party are not known to this division.

The above is submitted to you for your information.

Very truly yours,

CHAPMAN FLETCHER,
Special Agent in Charge.

JLM:cpw
7-2

cc - Bureau
Cincinnati

RECORDED
&
INDEXED

7-576-3-79

DEPARTMENT OF JUSTICE

MAY 23 1937

U. S. DEPT. OF JUSTICE

mer

Federal Bureau of Investigation

U. S. Department of Justice
Post Office Box 1469
Little Rock, Arkansas
March 24, 1937

PERSONAL AND CONFIDENTIAL

Director
Federal Bureau of Investigation
Washington, D. C.

RE: BREKID

Dear Sir:

In confirmation of my telephone conversation with Mr. Tamm on March 23, 1937, regarding the difficulty of installing the telephone tap on the house of prostitution of Lillian Pearson at Hot Springs, Arkansas, and in which it was suggested that Special Agent J. M. Jones might be in a better position to place this tap because of his experience, I telephoned Mr. Ladd at Chicago and was informed by Special Agent W. J. Devereux that Mr. Ladd was out of the city. Agent Devereux told me that Mr. Ladd had left instructions that Agent Jones should not leave Chicago unless he were notified, but that Agent Devereux would get in touch with Mr. Ladd and advise me in the premises.

I today received a letter from the Chicago Division that the wife of Agent Jones is still very ill and for that reason he will not be able to leave for several days. In view of the situation described hereafter, it is believed this will be satisfactory at this time, but it is requested that Agent Jones be sent here as soon as the condition of his wife will permit.

In order to acquaint you more thoroughly with the situation in Hot Springs at this time, it should be noted that the Southern Club, a prominent gambling resort, was held up by five masked men on Friday, March 19, 1937, and ostensibly about \$8,100.00 taken. My confidential information is that \$30,000.00 was actually taken, this amount being on hand because the club was about to re-open that night. The next morning a mailman in Hot Springs found various papers and checks in a mail box, which papers must have been put there after midnight on Friday. Because of this fact and the fact that the robbery was so well "cased", it is the belief of the local police that it was undoubtedly carried out partly by local men. Because of this there has been considerable

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11 MAR 25 1965

RECORDED
&
INDEXED

7-576-3-80
TAMM
FOXWORTH
ONE

Mr. Nathan
Mr. Tolson
Mr. Baughman
Mr. Clegg
Mr. Coffey
Mr. Dwyer
Mr. Egan
Mr. Foxworth
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Hendon
Mr. Jones
Mr. Quinn
Mr. Nease
Mr. Gandy

81-21-41101-09
RECEIVED - CHICAGO DIVISION
MAR 24 1937

Director

March 24, 1937

police activity in Hot Springs and Chief of Detectives Herbert Akers has been unusually active and investigations are being made of every suspicious activity in Hot Springs.

During this period Agents D. P. Sullivan, John L. Madala, together with Special Agent V. I. Parry, have been making a survey to determine the possibility of installing the tap on telephone #789, assigned to Lillian Pearrow,

This house is on the southwest corner of Central and Prospect Avenues in Hot Springs and the telephone line connects to the pole in the alley in the rear which is directly in view of the telephone company offices less than half a block distance. This block on Central Avenue is in the heart of the city and contains three known bookmaking establishments, all of which have several phones connecting to this same cable. The alley is about three-fourths of a block in length and is closed at the South end. An examination of the cable charts in the telephone office at Little Rock reveals that the cable into which the above phone connects does not bridge, which would make it necessary to place the plant for this tap in this same block. There are no suitable places in this block for the tap.

However, at the south end of the block there is an apartment building which is located about seventy feet from this telephone cable, in which it might be possible to secure an apartment for the plant. In order to do this however, it would be necessary to bridge wires on five telephone poles in this alley and then run a line from the last pole to the apartment. In the event it was found necessary, by reason of the operation of any telephone man in this alley, to temporarily remove this tap, same could not be done without the telephone man observing it.

In view of the above situation and the general activity in Hot Springs at this time, Agents Sullivan, Madala and Parry have conferred with me as to the advisability of installing this tap at this time due to the danger of it being detected with resultant possible discovery of the taps now installed. It is believed that it is not desirable at this time.

Accordingly, in a telephone conversation with Mr. Foxworth at the Bureau today, I briefly informed him of the above facts and secured permission to have Agent Parry return to Oklahoma City and Special Agent E. G. O'Brien, who was sent here

Director


March 24, 1937

to man this new tap, return to St. Louis until such time as they are needed here.

In the event it is decided to install this tap later, it is suggested it might be advisable to have Agent Parry return here to assist Agent Jones, both because of Agent Parry's knowledge of this set-up and because of the experience he could obtain by actually working with Agent Jones.

The Chicago Division is being advised in a separate communication to have Agent Jones report here as soon as his wife's condition will permit in accordance with the instructions received on this date from the Bureau (Mr. Foxworth) and immediately upon his arrival and the completion of the preliminary survey, the Bureau will be advised as to the possibilities.

Very truly yours,


CHAPMON FLETCHER
Special Agent in Charge

VIP:ADM
7-2

cc Cincinnati
Mr. Connelley, Tacoma

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

LMC:VTL
7-576

March 17, 1937.

MEMORANDUM FOR MR. TAMM

RE: BREMER CASE

The following is a resume of the pertinent telephone conversations obtained as a result of the taps on telephones 123 (Police Department), 446 (Chief of Police), and 648 (Mayor's office), Hot Springs, Arkansas, from February 26, to February 28, 1937, inclusive, as reflected in the report of Special Agent B. L. Damron, dated at Little Rock, Arkansas, March 5, 1937:

February 27, 1937

The following conversations indicate that Sheriff Marion Anderson has been employed to patrol the Oaklawn Park race track at a salary of \$50.00 per day, and authorized to employ ten men at salaries of \$5.00 per day each. It will also be noted that the Mayor termed the original offer of Sheriff Anderson as a "shake" and also that the Sheriff is employing Arch Cooper, discharged policeman now under indictment, and the Chief of Police, to work at the track. It will also be noted that Municipal Judge Verne Ledgerwood and "Sunny" Davies were interested in the employment of Anderson and that the entire transaction appears questionable:

10:57 A. M., incoming on No. 648

Ledgerwood: He's here now, and says he is willing to assume all the responsibility if he can select the twenty men.
Mayor: Have him call Cella himself. It looks like a plain "shake".
Ledgerwood: All right, let's just "off" it.
Mayor: All right.

RECORDED

11:10 A. M., outgoing on No. 648

Mayor: To 743 (Verne Ledgerwood).
Ledgerwood: Keep me out of that.
He says he is willing to take the "fire" if he can carry his own 20 men. He says the "chief" (Rasberry) is going on the payroll if he is successful. Marion (Anderson) said that Cella is to call Martin (Track Manager) and Martin

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11 MAR 25 1965

7-576-3-80X
FOLSON
RES. DIV.
TAMM
MAY 1937

will get in touch with Marion. He says he will put "Arch" (Cooper) on and some others. I tell you, you get in touch with Cella and I think it will all be ironed out. All right, I'll do it.

Mayor:

11:24 A. M., incoming on No. 648

Mayor:

Call to Charles Cella completed.

That fellow talked to another man a while ago. He will furnish 20 men at \$5.00 a day for \$3000, making a total of \$4500.00.

Cella:

I won't do it. I'll get my own patrol first. Tell him I'll give him \$50.00 a day for himself. That will be \$1500 for the season and 10 men at \$5.00 a day, which will be \$1500.00, a total of \$3000.00 for the season. That's final. If he won't do it, I'll go to the Governor.

Mayor:

All right, I'll tell him. When are you coming down?

Cella:

I don't know. I am quite busy. If I can make it I will be down tomorrow.

11:31 A. M., incoming on No. 648

"Sunny" Davies:

Told the Mayor he was going to Little Rock, and wanted about 200 daily passes.

Mayor:

Tell Marion I just talked with Cella, and he said he only needed 10 men at \$5.00 a day and would give Marion \$50.00 a day - a total of \$3,000.00.

Davies:

That sounds fair. I'll tell him.

On this same date there were a number of calls directed to the Mayor and to the Police Department, indicating that A. J. Pearrow is the husband of Lillian Pearrow, who is the madam of a house of prostitution at 105 Prospect Avenue. Pearrow was in jail apparently for drunkenness. His wife was allowed to take him food, and he was given other favors which indicated that Mrs. Pearrow had a close hook-up with the Police Department. However, no information of particular value was contained in these conversations, and they are, therefore, not being set out in detail.

The following conversation was made on February 27, 1937, which may have some significance:

With reference to the following conversation, the index cards being maintained in this case indicate that one Frankie is employed at the Southern Grill (bookie and gambling establishment).

1:12 P. M., incoming on No. 446

Man: Is "Dutch" there?
Akers: Hello.
Man: Dutch, Frankie just got in, and I got that book for you. Are you busy?
Akers: Not much.
Man: Drive by the "Park" (Hotel) and I'll give it to you.
Akers: O. K.

February 28, 1937.

The following conversations between Captain Ben Rogers of the police and Mrs. C. B. Webb reveals the protection given vice by the Police Department:

4:12 A. M., incoming on No. 123

Rogers: Hello.
Mrs. Webb: Ben, I'm worried about one of my girls - afraid something might have happened to her - she went to Room 1028 at the Arlington (Hotel) some time ago and hasn't come back yet. The bell-boy just phoned me and said that the fellow in the room there wouldn't give her any money or let her out - wish you'd go over and get all you can out of that s- o- b- and I'll split the difference with you. The girl's name is Juanita - not Jerry.
Rogers: O.K., I'll go over and see the house dick.

4:45 A. M., outgoing on No. 446

Rogers: Called 1571 (Listed - Mrs. C. B. Webb, #3 Crystal Street - evidently madam of a house of prostitution.)
Mrs. Webb: Hello.
Rogers: We couldn't find out much, but I'll call you

Mrs. Webb: in a few minutes.
All right - thanks - I was afraid something might have happened to her.

5:00 A. M., incoming on No. 123

Man: Asked for Rogers (slightly foreign accent)
Rogers: Hello.
Man: This is "Mack" (phonetic) over at the
Arlington - I just got in that room - they're
both up there asleep now.
Rogers: OK. Thanks.

("Mack" apparently refers to McAdams, house
detective at the Arlington Hotel.)

5:02 A. M., outgoing on No. 123

Rogers: Called 1571 (Mrs. C. B. Webb)
Mrs. Webb: Hello.
Rogers: Just found out that they're both up there
asleep.
Mrs. Webb: Thanks.

Respectfully,

L. M. Chipman
L. M. Chipman.

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

EAT:TMF

March 24, 1937

MEMORANDUM FOR THE DIRECTOR

The telephone taps maintained at Hot Springs, Arkansas recently have indicated that Sheriff Marion Anderson has been employed by the persons operating the Oaklawn Park race track at a salary of \$50 per day to supervise patrol work at the Park and was authorized to employ ten men at salaries of \$5 per day, each, to assist in this patrolling. Sheriff Anderson originally attempted to obtain a total of \$4500 to perform this work but Mayor McLaughlin dismissed Anderson's original offer as a shake-down. Municipal Judge Ledgerwood was interested in the employment of Anderson at the figures indicated.

Respectfully,

E. A. Tamm

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7-576-3-80X

APR 26 1937

FOLSON
RES. DIV.
FBI
ONE

Federal Bureau of Investigation
United States Department of Justice

Post Office Box #1469,
Little Rock, Arkansas,
March 26th, 1937.

~~PERSONAL AND CONFIDENTIAL~~

Director,
Federal Bureau of Investigation,
Washington, D. C.

RE: BREKID

Dear Sir:

Special Agent D. P. Sullivan, who is on special assignment at Hot Springs, Arkansas, advised me that the taps had been withdrawn at approximately 11:35 A. M., March 25th, 1937, on the telephones #123, #446 and #648, which are listed to the Mayor's Office and Hot Springs Police Department.

Agent Sullivan has informed me that the reason these taps were withdrawn was due to a conversation overhead at 10:46 A. M., March 25th, 1937 on telephone #648 (the Mayor's office) in which conversation Mayor Leo P. McLaughlin talked with Mr. Sheppard, who is Manager of the telephone company at Hot Springs, Arkansas. In order that this may be entirely clear to the Bureau, I am quoting the telephone conversation, as furnished me by Agent Sullivan:

10:46 A. M. Outgoing on #648, (Mayor's Office)
Mayor McLaughlin talked with Mr. Sheppard
of the "Manager's Office" at the telephone
company.

Mayor: "Shep", if you will look there in your office, you will find that the lines out of my office are being tampered with.

Sheppard: Well, Leo, what makes you think so?

Mayor: It is that every time I take up my receiver on this phone I hear clicking noises. I have also heard some extracts

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11 MAR 25 1965

PARTIALLY
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THIS SERIAL ONLY
9/10/65

MAR 29 1937

LANE
ONE

DIRECTOR

3/26/37

of some telephone conversations of mine repeated around. I know that nobody could get hold of that unless they were listening in * * * It is just that I don't have the assurance that I can pick up this telephone and carry on a conversation without being overheard. * * * * * I want you to personally look into it and see about it - I think you will find it there in your office.

Sheppard: All right, Leo, I'll personally look into it and check up on your line right away * * *.

Special Agent William T. Morton has advised that he heard no unusual noises or clicking on the Mayor's line about the time of this telephone call. He also informs there is a branch extension of #648, which is located in the City Health Office and it is possible that the clicking referred to by Mayor McLaughlin was caused by someone in the Health Department picking up the receiver.

It is the opinion of the writer and the Agents on this assignment that the Mayor's statement that he has overheard portions of telephone conversations repeated, is merely his imagination and that he well knows that such is not the truth.

Nothing has been overheard over telephone #2115, which is listed to W. S. Jacobs, which would indicate any suspicions on the part of Jacobs, as to the existence of the tap on his telephone and, therefore, no necessity appears to withdraw this tap.


A surveillance is now being maintained in the vicinity of the City Hall by the Agents assigned to this case and in the event no activity is observed within the next day or

DIRECTOR

3/26/37

two, the taps on telephones #123, #446 and #648 will be reinstated and immediately upon this action being taken the Bureau will be informed.

Very truly yours,


CLAYTON FLETCHER,
Special Agent in Charge.

CF:DAN
7-2

AIR MAIL AND SPECIAL DELIVERY

cc: Mr. E. J. Connelley, Tacoma (Air Mail & Special Delivery)
Cincinnati

8
1

Federal Bureau of Investigation
United States Department of Justice

Post Office Box #1469,
Little Rock, Arkansas,
March 26th, 1937.

2-1-11 3-41,62,67
Edw. W. O'Connell
12-1
2

Director,
Federal Bureau of Investigation,
Washington, D. C.

O
RE: BREKID

Dear Sir:

In accordance with instructions received from the Bureau (Mr. Tamm) by telephone on March 22nd, 1937, Special Agent William B. Matney of this Division, interviewed Mrs. Scott Wood of 106 Watt Street, Hot Springs, Arkansas, regarding information which she claimed to have in her possession pertaining to conditions at Hot Springs and her letter to the Bureau of February 25th, 1937, which indicated that she might have information pertaining to some Federal violation over which this Bureau had investigative jurisdiction.

The memorandum which has been prepared by Special Agent Matney covering his interview with Mrs. Wood is forwarded, together with two copies of the same, for the information of the Bureau.

Very truly yours,

Chapman Fletcher
CHAPMAN FLETCHER,
Special Agent in Charge.

CF:DAN

7-2

Enclosures

RECORDED & INDEXED

7-576-3-82

MAY 20 1937

Federal Bureau of Investigation

United States Department of Justice
Post Office Box 1469,
Little Rock, Arkansas,
March 25, 1937.

Memorandum for Special Agent in Charge Chapmon Fletcher:

Upon being instructed to contact Mrs. Scott Wood, 106 Watt Street, Hot Springs, Arkansas, by Special Agent in Charge Chapmon Fletcher, relative to letters written by this woman to the Director, agent immediately proceeded to Hot Springs on March 22, 1937, and contacted Mrs. Scott Wood at her home.

Mrs. Wood advised that she was pleased that an agent of the Bureau was calling on her. Mrs. Wood advised that since she sent her last letter to the Director she has learned that the Federal Bureau of Investigation does not handle income tax evaders. At that point agent deemed it advisable to advise Mrs. Wood concerning the investigative jurisdiction of the Bureau, and it was stressed to Mrs. Wood that in all cases this Bureau has to determine whether or not it has jurisdiction. Mrs. Wood advised that this point had been called to her attention by her husband, but had not been called to her attention prior to the time she wrote the Director. Mrs. Wood made inquiry concerning the jurisdiction of the Internal Revenue Department, and was advised by agent that the Internal Revenue Department investigates violations of the income tax laws. Mrs. Wood advised that she intends to contact the Collector of Internal Revenue in Little Rock in the immediate future and furnish him with information concerning income tax violations in Hot Springs, Arkansas.

Mrs. Wood was advised that Mr. Hoover's office had called the Little Rock Field Division, and desired that Mrs. Wood be contacted and advised that the Bureau does not disclose information to any person whatsoever, and that no information is given to newspapers. At that point Mrs. Wood advised that at the time she could not believe that the Bureau would disclose information, but it must have been given to the newspaper by someone. She stated that she is positive that she did not give the information to the newspapers and as she had written about income tax evasion, and the newspaper article stated that this was what she wrote about she decided that the newspaper men must have seen a copy of the letter she wrote the Bureau. Mrs. Wood was advised that although agent did not know how the newspapers received their information, he was positive that it was secured from some person outside the Bureau. Mrs. Wood was questioned as to whether anyone other than herself knew about the letter which she wrote to the Bureau, and advised that Roy Smith, Hot Springs, Arkansas, C. Floyd Huff, U. S. Commissioner, Hot Springs, Arkansas, and her husband, Scott Wood, knew of her letter to the Director, as well as the letter she received. Mrs. Wood advised that

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11 MAR 25 1965

7-576-3-82

she did not believe at this time that the newspapers had secured their information from the Bureau and that the only other parties that might have transmitted this information are Smith and Huff. In connection with the newspaper publicity given Mrs. Wood's letter, she advised that her husband was in the State Capitol Building in Little Rock, Arkansas, on business and he was approached by R. W. Sisson, Little Rock representative of the Memphis, Tennessee, Commercial Appeal, and this man advised Mr. Wood that he knew all about the letter his wife had written "to Hoover" and he knew that "Hoover" had answered by letter and advised that he was sending a man to see her. It is worth while to note that Mrs. Wood says that Sisson advised Mr. Wood that he knew the identity of the agent who was to contact Mrs. Wood, but when Wood was later talked to, he failed to remember that this was said. Mrs. Wood advised that Sisson keeps a desk on the second floor of the Marion Hotel in Little Rock, Arkansas. Mrs. Wood and her husband, who was later interviewed by agent, advised that Sisson did not orally mention that Mrs. Wood had written about the income tax angle, but that this information did appear in the newspaper article that was forwarded to "Mr. Hoover".

In connection with possible harboring charges, Mrs. Wood gave the following information:

"Dr. T. E. Sanders, of Hot Springs, told me that Dr. J. P. Randolph, the local coroner, told him that about a year ago he and his step-daughter (who is married and lives in Canada, name unknown) were in a prominent eating place in Hot Springs about a year ago and this step-daughter advised that 'You have nice people to associate with here in Hot Springs'. Dr. Randolph asked what she meant, and this step-daughter said, 'See those two men sitting behind you, do you know who they are?' Dr. Randolph advised that he did not know, and his step-daughter said, 'There is Public Enemy Number One, Karpis, and the man with him is Luciano, the New York vice ring leader.' Dr. Randolph then asked the chef if he knew who the men were, and the chef advised that he certainly did, and that it was Karpis and Luciano, and that they came there often, and he always knew when they were coming because they sent a special shipment of groceries ahead and requested special dishes prepared."

Mrs. Wood advised that any additional information desired could be secured from Dr. Randolph, who is closely associated with the Hot Springs Police Department. Mrs. Wood advised that as far as she knows, Dr. Randolph did not say anything to anyone else.

At this point Mrs. Wood advised that she cannot understand how Galatas and all the wanted fugitives come to Hot Springs, and everyone knows about it, and they are not bothered. Mrs. Wood, when questioned, stated that

"it is common knowledge that the various fugitives were in Hot Springs." At this point agent stated that the Bureau has no jurisdiction over purely State offenses, and at this point Mrs. Wood appeared to be angry and advised that she could not understand why "someone can't do something."

Mrs. Wood advised that A. T. (Sonny) Davies, the City Attorney in Hot Springs, had rented the house that Karpis was living in, and stated that it was the house that Federal agents surrounded near Hot Springs last summer, and arrested some unknown party after Karpis had left. Mrs. Wood advised that the local police department was warned to stay away by Federal agents. Mrs. Wood stated that she has never received information that any local parties visited Karpis while he lived in or around Hot Springs. It is worth while to note that Mrs. Wood frequently used the terms, "It was in a press report" and "It was common talk".

Mrs. Wood advised that W. G. Bouie, the former Prosecuting Attorney in Hot Springs, told her that "information can be secured that will show that various officials in Hot Springs visited a certain cottage on several occasions, on Palm Street, and that these men had numerous meals at that place." Mrs. Wood advised that she cannot remember who the wanted fugitive was that lived in this cottage, but she believes that it was Karpis or some other fugitive.

At this point Mrs. Wood advised that "Hot Springs is notorious and you can see that it is if you read '10,000 Public Enemies'". It is worth while to note that Mrs. Wood used this publication on several occasion to stress the point that Hot Springs is "notorious the world over."

Mrs. Wood advised that Trages Freeman, who is presently employed by the State Revenue Department in Little Rock, Arkansas, advised her that some time ago his wife was on the Library Board in Hot Springs, and she told him that C. Floyd Huff, the present U. S. Commissioner in Hot Springs, took out a library card, and checked out the book "10,000 Public Enemies". Huff later came back and advised that he had lost this book, and paid for it. Mrs. Wood stated that Freeman was of the opinion that Huff gave this book to Galatas, as he was mentioned in this book several times. Mrs. Wood advised that on one occasion Galatas gave a bird dog to one of the city officials in Hot Springs, but she could not remember the name of the official. Mr. Wood, who was interviewed later, advised that it was Judge Earl Witt, who received this bird dog, but this transaction took place before Galatas became a Federal fugitive.

At this point, Mrs. Wood, without consulting agent, went to the telephone, and phoned Mr. Wood and requested that he come home immediately, as there was someone that wanted to talk to him. After this phone call

Mrs. Wood remarked that agent could get definite information from her husband as he is the party that conveyed a great deal of her information to her. Mrs. Wood again stated that "10,000 Public Enemies" and a recent article in the "American Magazine" gave valuable information concerning the activities of Galatas in Hot Springs.

Mr. Wood advised that it was "common knowledge" that prior to the time Galatas was made a Federal fugitive he was the "fixer in Hot Springs." Mrs. Wood then stated that it was "common belief that a phone call by Galatas to Kansas City, Kansas, was the cause of the Kansas City Massacre." Mrs. Wood advised that the entire story is in "10,000 Public Enemies."

Mr. Wood advised that after Galatas was a Federal fugitive, Herbert Akers, Chief of Detectives, Hot Springs, Arkansas, took over the personal property of Galatas. Mr. Wood is of the opinion that Akers will explain this by saying that it was at the request of the wife of Galatas that he did this. Mr. Wood advised that it has been rumored that Akers made the payments on Galatas' car after he left. It was also rumored that on several occasions Akers took Galatas' clothes and money and met Galatas on the highway outside of Hot Springs. Mr. Wood advised that he knew of no way to verify this information.

Mr. Wood said that he did not know that his wife had written the Bureau until after the letter was written, and that all of the definite information he or his wife had at this time was in connection with income tax evasion.

Mr. Wood advised in this connection that Arch Ledgerwood, a brother of Municipal Judge V. S. Ledgerwood, came back to Hot Springs, Arkansas, about a year ago from a tuberculosis sanitarium and that this man has never received more than \$100.00 a month for any work he has done. Mr. Wood said that this man has always been a poor man, and until this day is a poorly dressed person. Mr. Wood advised that Arch testified in the State investigation at Little Rock, Arkansas, and stated that he purchased a one-fourth interest in Belvedere at Hot Springs for \$15,000.00 in 1933, and stated that he borrowed this money from a man named Ballard, who died a few days after this money was paid back to him. Mr. Wood believes that Arch is the "pay-off" man in Hot Springs. Mr. Wood advised that John R. Thompson, Attorney, Wallace Building, Little Rock, Arkansas, conducted the State investigation and questioning of witnesses. Thompson advised Wood that he was going to have a Federal income tax inspector at the State hearing. Mr. Wood advised that he intends to immediately contact the collector of Internal Revenue in Little Rock and give him his information relative to evasion of the Federal income tax.

In connection with the newspaper publicity in connection with instant case, Mr. Wood advised that Sisson told him that he knew "all about your wife writing Hoover and he is sending an agent to see your wife." Mr. Wood advised that he cannot remember that Sisson advised that he knew the identity of the agent that was to call on his wife. Mr. Wood advised that Sisson did not mention the income tax angle at that time, but that it later appeared in the newspaper article.

Mrs. Wood advised that after the arrest of Karpis there was an article in the Hot Springs newspaper to the effect that Mrs. Alvin Karpis had entered a dog in the dog show at Hot Springs during the fall of 1936 and that her dog had won first place. This article stated that the dog was entered as belonging to Mrs. Alvin Karpis. Mrs. Wood advised that she wrote Mr. Newman (Special Agent in Charge) at St. Louis, Missouri, and forwarded this clipping to him. Mrs. Wood advised that she wrote Mr. Newman on several occasions concerning making a speech at Hot Springs.

Mr. Wood advised that he received the following information in confidence, and for that reason could not divulge the name of the party. This party told Mr. Wood that he was talking to Dutch Akers before Akers went to Kansas City to testify in the Galatas case, and that Akers stated that he did not know what the Government had, but he had arranged everything so that if he didn't come back to Hot Springs everything would be alright. This party advised Mr. Wood that Akers told him that he did not expect to return to Hot Springs, and believed that the Government was going to "handle him." Mr. Wood stated that he could not give the name of this party to anyone.

After agent was out of the presence of Mrs. Wood, but in the presence of Mr. Wood, he made the remark that he was not advised by his wife that she had written the Bureau until after the letter was written and stated that Mrs. Wood was far above the average in intelligence, but was not a lawyer or legally trained person, and could not understand why something could not be done, as Hot Springs has for a long time had a "corrupt set-up". Mr. Wood stated that he does not believe that he will be able to give the Bureau any information which bears upon a violation over which the Bureau has jurisdiction, but that he does have definite information relative to income tax evaders. Mr. Wood's attitude was very friendly toward the Bureau, and he advised that if he receives any information in which he believes the Bureau will be interested he will appear at the Little Rock Field Division office and impart this information.

Mr. and Mrs. Wood stated that they did not desire that agent's

interview with them be known, and were advised that this information, if given out, would necessarily have to be given out by them, as the Bureau, under no circumstances gave out any information to any individual or organization.

Respectfully submitted:

W. B. Matney
W. B. MATNEY,
Special Agent.

WBM:cpw
7-2

Mr. Nathan
Mr. Tolson
Mr. Baughman
Mr. Clegg
Mr. Coffey
Mr. Dawsey
Mr. Egan
Mr. Foxworth
Mr. Glavin
Mr. Harbo
Mr. Hendon
Mr. Jones
Mr. Lester
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

THIS CASE ORIGINATED AT Cincinnati, Ohio

L.R. FILE NO. 7-2

U. S. GOVERNMENT PRINTING OFFICE

and the tap established.

On March 13, 1937 Special Agent J. M. Jones departed from the district and his place has been taken by Special Agent John L. Madala.

On the afternoon of March 10, 1937 telephone company employees began repair work on the cables and lines in the immediate vicinity of the plant at 207 Laurel Street, and to guard against discovery the taps on the telephones of the police department (123 and 446) and the Mayor (648) were temporarily disconnected at the master terminal box. On March 17, 1937 this tap was re-established after a survey indicated the repair work had been completed and without discovery of the tap.

Re: ARREST AND RELEASE OF EARL KING

While in Hot Springs on other matters reporting agent ascertained from an examination of the records of the Police Department (blotters and Identification Bureau) that the persons arrested at 211 Woodbine by Chief of Detectives Akers and Captain Watkins were:

Elizabeth Allen	(Not fingerprinted)
Andrew Anderson alias	
Gene Anderson	(P.D. #6565)
Arthur Montgomery	(P.D. #6566)
Earl King	(P.D. #6564)

No dispositions were shown on either the blotters or fingerprints cards as to any of these parties, and the Identification Bureau had photographs of only Anderson and Montgomery.

During a general conversation with Chief of Detectives Akers, he told reporting agent of the arrest of King and several others, but did not state what dispositions were made of the persons arrested. He stated that he received a tip that a race horse machine or book was being operated at 211 Woodbine and he immediately proceeded to this address; that upon entering the house he found several men seated at a table eating, one of the men being known to him; that this man (probably "Joe") asked him if he was looking for something and he (Akers) replied that he just wanted to be cut in on something good; that he made this remark several times but without any results, so he arrested all of them. Akers stated that these men had a teletype machine in the house and was connected with California. Upon inquiry as to how this "racket" worked, he said one of the men was an ex-jockey and knew

all the jockeys at Oaklawn; that they would get the jockeys together and fix a race for the following day and then send the name of the agreed winner to California by teletype.

No attempt was made to obtain any further details concerning this matter and no special interest was shown during the conversation by Akers. Also, at this time, he remarked about notifying John Condon of the arrests, etc. and in reply to an inquiry, stated that Condon is financially interested in the track. It will be noted that Condon has been mentioned in previous conversations and from observations and general talk with friends it appeared to the writer that Mr. Condon is a "general handy man" at the race track, and is especially interested in "touts" and possible wire tapings.

The following conversations appear in the logs and refer to this matter:

8:30 P.M., 3/8/37 incoming on No. 446

H.A.S.

Watkins: Hello.
Joe: Swede, this is Joe - out at 211. Were you out here looking for me today? Was it about King or Anderson?
Watkins: Yes, I came out to see if there had been any mail left for him - Anderson.
Joe: O.K. Is he still in jail?
Watkins: No. They're out on the streets today.
Joe: Well, I'll be damned. I can't understand it.
Watkins: I can't either. Well, I just wanted to know if he had any mail when I was out there today.
Joe: O.K.

(Joe at 211 apparently refers to 211 Woodbine St.)

8:37 P.M., 3/8/37 incoming on No. 123

H.A.S.

Mrs. Sims: Is Mr. Watkins there?
Watkins: Hello.
Mrs. Sims: Can I come down to the front of the jail and speak to that boy? His sister is here now. Can she talk to him?
Watkins: They've been out all day. They're over at the fights now.
Mrs. Sims: Well, you treat your prisoners nice. Are you going to hold him?
Watkins: I don't suppose so.
Mrs. Sims: Anybody there now - can you talk all right?
Watkins: No, not very well.
Mrs. Sims: If you have a chance, give me a call before you go home.
Watkins: OK.

10:02 A.M., 3/9/37 incoming on No. 123

D.P.S.

Little Rock calling Akers.
Man: Hello Dutch. Did Swede tell you what I was talking to him about last night?
Akers: No.
Man: I couldn't get to talk to any of them. I thought maybe I could get "Tex" (Anderson) to stay in town. I talked to King. He said he couldn't get in touch with them either. He is going out and try to get some money, but doesn't know whether he will have enough time. When can I come over and get them?
Akers: I've got to see another man today. I told a man I could get 25 a piece for them. I'll try my best and they should be out today.
Anderson: You know, whatever I do comes out of my own pockets.
Akers: I know.
Anderson: I'll try to do something. If I can find anything around here, I'll let you know and let you and Swede (Watkins) in on it. I may fold up here any time. I'll guarantee you won't lose anything by it.
Akers: Alright, partner.

8:02 P.M., 3/9/37, incoming on No. 123

D.P.S.

Call for Watkins or Akers from Little Rock, Ark.
Watkins to phone.
Man calling: Hello Swede. This is Anderson. What did you do with the boys? Dutch said they were going out.
Watkins: They are still here.
Anderson: I talked to that party. He was somewhere on the other side of Joplin. He said he was too near broke and was going out to see a party about some money. He thought he might go up to Chicago and then to Tanforan (San Francisco Race Track). He may not get back here, as the meeting (race meeting) is too far gone. He might not come back at all but it won't matter if he gets the information he wants. It will be just as good other places as it is here. I heard that Hot Springs would be just as good as ever soon.
Watkins: Yeah, only the matter of a few days.
Anderson: The reason is on account of "Coca Cola" (?) You can handle that and I can handle this. It will be a year around proposition.
Watkins: See me when you come over.

Anderson: But it must be on the "Q.T." If one of them should
find out, they would throw a bomb at me.
Watkins: When are you coming over?
Anderson: Maybe tomorrow.
Watkins: O.K. boy.

("Andy" Anderson appears to be a brother of Gene
or Tex Anderson and apparently operates a "bookie"
in Little Rock.)

10:20 A.M., 3/10/37 incoming on No. 123

W.T.M.

Anderson at Little Rock talked to Watkins, asking when "those boys" were
going to be released. Watkins said he would take it up with "Dutch" and
if Akers wants to release them today he (Watkins) will have Anderson's
brother (one of the prisoners) call Anderson. The conversation closed
by Anderson saying, "I'll see you, I want to talk to you about some other
things."

11:45 A.M., 3/10/37 outgoing on No. 123

W.T.M.

Akers called Southern Club, asking for "Roscoe".
Akers: I put them boys on the bus for Little Rock.
Roscoe: What about that finger guy?
Akers: He's on the payroll out there - I'll see you.

(Roscoe appears to be Roscoe Johnson of the
Southern Grill.)

9:00 P.M., 3/10/37 incoming on No. 2115

J.M.J.

"Anderson" from Little Rock calling. L. D. advised his mother about
4:00 P.M. today that Jacobs was trying to reach him.

Jacobs: Don't know nothing about the call. Someone must have
used my name.

Anderson: Advised Jacobs that he, Anderson, used to have an
account with him and knew Roscoe very well. Anderson's
brother was in some sort of trouble re the races today
and he thought the long distance call was in this
connection.

Jacobs: Stated he knew nothing of the brother's trouble and
did not place the call.

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MARCH 8, 1937

The following conversation indicates that the Hot Springs newspapers receive racing entries, etc., over the wire service maintained by W. S. Jacobs for the "bookies."

7:02 P.M., incoming on 2115

B.M.S.

Jacobs: Hello.
Man: They cut the wire off at 510 today.
Jacobs: Yeah, I know. The books are open in Little Rock.
Opened yesterday.
Man: Is that right? Well, we can't give the papers the entries.
Jacobs: Get hold of Gousley and tell him they've cut the wire out on us and we can't give it to him anymore.
Man: How about the scratches?
Jacobs: Might pick them up through Little Rock.
Man: O.K. Jake.

The following conversations pertain to legislation affecting the Oaklawn Park race track and racing and the activities of Mayor McLaughlin in killing the legislation. The proposal of Ed Farris, Secretary of the Racing Commission, to bribe members of the Senate is to be noted, as well as McLaughlin's statement that he is paying Farris one "C" to fix up the bills:

9:25 A.M., incoming on No. 648

D.P.S.

Farris: Ed Farris from Little Rock calling.
It looks like trouble in the Senate. They claim 21 votes on that racing bill. I talked to Shaver about it. Johnny Wells said to pay no attention to it. He said he had not talked to the Governor about it.
Mayor: What do you think we should do?
Farris: Go up there with a little change and change a few votes.
Mayor: How much will it take?
Farris: Maybe four or five C's (\$100.00 bills). I'd say not to go over one grand. I believe I could underwrite it for that.
Mayor: I will have to call somebody on it - what's your number?
Farris: 4-2961. It will come up today. They are trying to crowd it on that account.

9:27 A.M., outgoing on No. 648

D.P.S.

Mayor calling Charles Cella (owner of Oaklawn Race Track) at St. Louis, Mo.

Mayor: Ed (Farris) called me about that Bill. He said they claim 21 votes in the Senate for it. The Sec'y. of the Governor said not to pay any attention to it and to keep the Governor out of it. Farris said that for one G (\$1000.00) he could stop it. I told him I had no authority to give him. He said the Senate is in session until noon. I am just reporting what he told me.

Cella: It's just a "shake". It looks like they are trying to get the grand. (\$1,000.)

Mayor: He said four or five approached him. That means only four or five for the bill. If he could guarantee it for five C's, it would be alright. I know what they get over there. They get one C a piece. He'll keep the other five C's for himself.

Cella: (Talked about what Farris did when the other bill was "hot". Said would tell the Mayor about it when he saw him.)

Mayor: I'll try to get in touch with Hilliard. He's here in town. I'll call you.

(Hilliard is Chairman of the Racing Commission.)

10:36 A.M., incoming on No. 648

D.P.S.

Senator Borney from Little Rock calling.

Mayor: About that Bill in the Senate.

Barney: It passed this morning - 21 votes. We'll have to catch it in the house.

Mayor: Much obliged, Senator.

10:44 A.M., incoming on No. 648

D.P.S.

From Ed Farris at Little Rock

Farris: They passed that Bill on 21 votes. I didn't have anything to stop it with. I talked to Johnnie Wells. I'll be over this afternoon. I'll see you at the races.

Mayor: Alright, Ed.

12:01 P.M., incoming on No. 643

D.P.S.

Long distance call from Mayor to Charles Cella
at St. Louis, Missouri.

Mayor:

I talked to Senator Borney after I talked to you
this morning. Borney told me they had 21 senators
for it, two days ago; that there wasn't a chance
of stopping it in the Senate and the only way was
to let it go before the committee. Borney is a
pretty good man. He said that 21 were already
pledged and we should stop it in the House. I have
a pretty good man there for that. He's right in there,
not like these other fellows.

8:06 P.M., outgoing on No. 2115

B.M.S.

Leo called St. Louis operator #223, she in turn called
4438, a man answered but his name was not mentioned,
he started talking immediately.

Man:

Leo, Joe just called me and said that "breakage bill"
was coming up tonight, did you hear that?

Mayor:

Yes, there are two bills coming up tonight for reading.
Campbell is going to object to reading the bill
more than once tonight, then they can't vote until
after the second reading; that will put off the
voting until Wednesday at least. Today out at the races
I met Hale, England, and that fellow, whatshisname,
Floursheimer or something like that. The four of us
fixed up a statement. We then found three members
of the racing commission, Ferris and two others. We
went over the statement with them to show that if
the State takes the breakage they are going to lose money
in the long run. We showed them that you would have to
decrease your purses to make up that 18,000.

Man:

What did they say?

Mayor:

Well, they saw it. Figures don't lie. They called
Little Rock and got in touch with three of the other
four members of the commission and got them to agree
to signing it.

Man:

That's good.

Mayor:

Now, I told Ferris that if he would get these bills fixed
up I'd give him one C, he doesn't know that the man
he is to see is the one who handles my business, see?
Now, I also found out that the reason that bill got
21 votes this morning was this: it seems a man named
Thomas who introduced the bill went to 21 Senators

before the vote was taken and told each of them that the Governor wanted this bill to pass, so each one signed it and voted for it.

Man: Well, how does the Governor feel about it?

Mayor: He don't want it and when these 21 men find that out it will be killed.

Man: You don't know what the sentiment of the house is?

Mayor: Pretty fair, with the help we are throwing in there I think they'll kill both bills.

Man: Well, I don't want this damn bill to pass. If it does, we'll have to reduce the purses \$18,000 to make it up and then we won't be able to get the good horses there.

Mayor: I know that and the commissioners know it now. We've got a solid front in the commission. We've done all that human effort can do.

Man: Well, I'll be up until twelve, if you hear anything call me.

Mayor: OK.

The following conversations indicate that Verne Ledgerwood may possibly be disqualified as a candidate for Municipal Judge, but that Mayor McLaughlin is guarding against a contest:

10:39 A.M., incoming on No. 648 D.P.S.

Call to Jack Holt, Attorney General's Office, completed.

Mayor: Saturday was the last day a person could file a pledge under the Corrupt Practice Act. The Clerk went out to the races in the afternoon. We got a pledge this morning that was postmarked 5 A.M. yesterday. (Sunday) It was delivered to the Clerk this morning. The post office closes about 9 pm. A person may say he dropped it in the mail Saturday night as he could not find the Clerk.

Holt: What race is that?

Mayor: For Municipal Judge - Ledgerwood. He's the only one. The question may come up and I wanted you to know so you could think about it.

Holt: I'll think it over.

11:59 A.M., outgoing on No. 648 D.P.S.

Call to Jack Holt, Little Rock, completed.

Mayor: Did you mention what I said to you to anybody?

Holt: No.

Mayor: Don't mention it. I'll tell you why when I see you.

The following conversations indicate "fixing" of cases in Municipal Court:

8:57 A.M., outgoing on No. 446

W.T.M.

1723 (Former Chief Wakelin)

Akers called Wakelin, who advised him that Jim Hall - a good friend of the administration - was in jail for drunk and disorderly conduct and asked that Akers "take care of him." Akers agreed and informed Wakelin that Mr. Tackett has qualified as candidate for Mayor.

11:26 A.M., outgoing on No. 123

W.T.M.

743 (Judge Ledgerwood)

Mrs. Charles Woodcock called Judge Ledgerwood saying her brother, W. E. Cary, 72 years old was in jail for drunkenness and fined \$10.00, and she "wanted you to do me a favor and help me with his charges." Judge Ledgerwood said he would have to stay in jail until tomorrow morning, when he would turn Cary over to her.

12:40 P.M., incoming on No. 446

W.T.M.

Ray Jimson (phonetic) asked if Jim Hall was in jail. Dismissed this A.M.

The following conversations originated at houses of prostitution in Hot Springs:

8:45 P.M., incoming on No. 446

H.A.S.

Woman: Is Dutch there? (Voice similar to Mrs. C.B. Webb, madam)
Akers: Hello.
Woman: Dutch, there's a man here trying to make Juanita move out. She doesn't even know him. He's arguing with me now. I don't know him.
Akers: Do you want an officer?
Woman: Yes, send one over to get rid of this guy.
Akers: O.K.

11:03 P.M., incoming on No. 123

D.P.S.

Mrs. Proctor left message for Akers to call her at 413, Proctor Hotel "It's important".

MARCH 9, 1937

The logs indicated that Mayor McLaughlin was absent from Hot Springs on this date.

The following conversations indicate that Chief of Detectives Herbert Akers assists in disposing of jewelry. Ruby Barnes is not listed in the current directories of Little Rock. One Robert Baum, whose nickname is "Ruby" is a jeweler of North Little Rock, and is reported to be a "fence".

10:02 A.M., incoming on No. 123

D.P.S.

Long distance call from man named "Ruby" (last name not gotten) at Little Rock, Ark.
Ruby: Do you have a prospect to buy diamonds?
Akers: Yes. I'll give you her telephone number. It is Mrs. J. W. Dennis, widow of Dr. Dennis, telephone 1675. She lives at 1803 Central Ave. Call her right now. She's got plenty of money. Bring something nice over with you and I'll go out with you. She has plenty of money. Bring some nice stuff over.
Ruby: Alright.

7:03 P.M., incoming on No. 123

D.P.S.

Mrs. J. W. Dennis calling - said that a Mr. Barnes had called her today and said he would be over at 11 o'clock. She asked Akers if he was alright.
Akers: Absolutely. Did he say he would bring anything over with him?
Mrs. Dennis: Yes.
Akers: I probably will be out with him. I have a ring less than 2 Karats, I'd like to sell you. I need the money and would sell it to you cheap.
Mrs. Dennis: I wanted a 2 Karat. You know, Mr. Akers, I'll keep this confidential. I want it, and I don't care where it comes from. You know you can trust me.
Akers: Oh, I have known that for a long time.
Mrs. Dennis: I want two 2 Karats. You may be able to get a hold of another one.
Akers: Alright, Mrs. Dennis.

The following conversations indicate fixing of cases in the Municipal Court:

12:10 P.M., incoming on No. 123

W.T.M.

Ed Bradley called Chief Rasberry to "fix" traffic ticket #9433 - Fowler, for double parking. Rasberry said he would fix it.

10:53 A.M., incoming on No. 123

D.P.S.

Man: (Sounded like Judge Ledgerwood) Told man at Police Department to release Mrs. Jones, whom he believed was a sister-in-law of Johnnie Jones and to tell her to come back to court in the morning.

10:14 A.M., 3/10/37 incoming on No. 648

D.P.S.

Man calling: This is Mr. Jones. My wife was down there in jail.
Ledgerwood: Yes. I turned her loose.
Jones: She had \$14.50. They took it away from her. She has seven or eight bruises on her arm.
Ledgerwood: Who arrested her?
Jones: There were three of them.
Ledgerwood: You know she was drunk and down on the street. Why did she have to break the stove, turn on the water and turn loose the gas in the jail?
Jones: I didn't know that. She said she had \$14.50 which they took away from her and wouldn't give back.
Ledgerwood: Well, Rasberry is a high class fellow. I'll talk to him and have him call you - what's your number.
Jones: You can reach me through 45 (Moncrief Printing)

10:17 A.M., outgoing on No. 648

D.P.S.

To 123 (Police Department)

Ledgerwood, telling Chief Rasberry that the Jonesboy, whose wife was in jail, and who is a brother of Johnnie Jones, just called him and said that his wife had \$14.00 which the police took away from her. Rasberry said she didn't have any money. Ledgerwood suggested that Rasberry call Jones, who apparently either lives at or is employed at the Arlington Hotel. (Johnnie Jones is Clerk of the Circuit Court.)

The following conversation is self-explanatory, originating with Mr. O. B. Webb, madam of a house of prostitution at 3 Crystal Street:

5:30 P.M., outgoing on No. 446

H.A.S.

Watkins: Called 1571 (listed Mrs. C. B. Webb)
"Peggy": Hello.
Watkins: Who's this? Did someone there want Watkins?
"Peggy": This is "Peggy" - I'll call Mrs. Webb.

Mrs. Webb:
Watkins:
Mrs. Webb:

Is this the Day Captain - "Swede"?

Yes,

Just wanted to let you know that I had some trouble with a guy here last night - Harlow, he works at O'Neals - I had a nice crowd here and he started raising hell, so I had him put out. He threatened that he would have me "put in the iron" but he can't do that. He's a no good son of a bitch - drives a car drunk with a fellow from Indianapolis. Just wanted to let you know, so you'll know who he is in case he tries to cause me trouble.

Watkins:

Yes - all right - I'll come over and talk to you.

The following conversation indicates that Chief of Detectives Akers may possibly be interested in the bond business of D. Ben Murry, professional bondsman:

7:24 P.M., outgoing on No. 123

D.P.S.

Akers:

Called 3675 (D. B. Murry - Bondsman)

Akers:

Ben, did you make that boy's bond today?

Ben Murry:

No.

Akers:

He's got a record.

Murry:

He might walk off then. We don't want anything like that do we?

Akers:

No.

Murry:

See you in the morning.

MARCH 10, 1937

The following conversation indicates a possible connection between W. S. Jacobs and the Oaklawn Park race track, it being noted that previous conversations indicated Jacobs controlled only the gambling and "bookies":

11:41 A.M., outgoing on No. 2115

B.M.S.

Jacobs:

2633 (Bill Hamilton, 229 Woodbine)

Hamilton:

Hello. That you Jake?

Jacobs:

Yeah Bill, you want me?

Hamilton:

Did Tink see you last night?

Jacobs:

No, why?

Hamilton:

That drunken son-uv-a-bitch, you must have been hiding from him then.

Jacobs:

I wasn't hiding, I talked to him over the phone about nine or ten o'clock.

Hamilton: Well, I want to see you this afternoon or tonight.
 Jacobs: I'm busy with my income tax this afternoon, but
 suppose you come by my house at 7 o'clock. It's
 116 Cedar St., right across the street from
 St. Joseph's Infirmary.
 Hamilton: OK, Jake, I'll do that.

The following conversations further indicate that Chief of
 Detectives Herbert Akers has purchased an interest in the Highland Park
 Inn, which is located at 835 Central Avenue:

10:43 A.M., incoming on No. 446 W.T.M.

Man giving name, "Miller" called Akers and both entered into conversation
 about relative profits in 10% and 15% sizes of bottled beer. Miller
 agreed to make for Akers 3 small signs advertising 15% bottle beer and
 Akers agreed to handle the caller's beer.

10:45 A.M., outgoing on No. 446 W.T.M.

Akers called 2505 (Highland Park Inn) and spoke to "Pat", cancelling an
 order to make some beer signs.

The following conversation, apparently refers to the appointment
 of a U. S. District Judge to succeed John E. Martineau, deceased, as
 C. Hamilton Moses, Attorney of Little Rock, has been mentioned in the
 press as a prospective appointee. It was also noted that the press
 reported that C. T. Cotham, attorney of Hot Springs, was recommended by
 the Garland County Bar:

10:05 A.M., outgoing on No. 648 D.P.S.

To 477
 Mayor: Let me speak to J. Roland
 J. Roland: Hello.
 Mayor: Don't say anything to the rest of the fellows of what
 I am going to say. Dick Ryan, Verne (Ledgerwood),
 and I were just talking here. That fellow is already
 appointed. They are just shaking a red flag against
 "Ham" Moses.
 J. Roland: Some of the bunch wanted me to have a meeting.
 Mayor: When Sam Garratt comes in, Tell him they are waving
 the "red flag" against that fellow. He's already
 got it anyway.

MARCH 11, 1937

On the morning of March 11, 1937 reporting agent proceeded to Hot Springs on general investigative matters, and while there noted that the gambling establishments opened during the afternoon, after adjournment of the legislature, and Chief of Detectives Herbert Akers and Detective Garnett Moore advised that the gambling rooms at the Southern Club and Belvedere Club were re-opening that night. On Friday, March 12, 1937 reporting agent noted that the bookies had re-opened, and upon visiting Robert Moore, former Night Captain of Police, at the Southern Club, that evening, it was noted that gambling was in full swing at that time. Upon returning to headquarters on Saturday, March 13th, it was noted from the evening papers that Supt. Gray Albright of the Arkansas State Rangers had proceeded to Hot Springs and notified local authorities that unless these establishments were closed they would be raided. The newspapers subsequently quoted Supt. Albright as stating he took this action at the request of Governor Bailey. It appears from the logs that all "bookies" and gambling establishments were closed on Saturday, March 13th, after this visit by Supt. Albright.

Many telephone conversations were overheard on the telephone of W. S. Jacobs (2115) on this date, most of which consisted of arrangements being made by Jacobs to re-open the "bookies" and the gambling establishments.

It appeared from these conversations that Jacobs obtains his gambling equipment from the B. C. Wills Company, Detroit, Michigan, telephone Cadillac 5974.

The following conversation indicates that the money derived from gambling is converted into certified and cashier's checks and kept in a vault instead of being run through a bank account.

10:25 A.M., outgoing on No. 2115

B.M.S.

Jacobs: 109 (Morris Ins. Agency)
Charlie: Hello.
Jacobs: Charlie, when you come up here, go by the bank and bring those certified and cashier's checks out of the vault.
Charlie: All right and say, we had our money counted twice, once on winners and once on the room when it should have been counted only on winners; that'll make a difference of \$1500 on the tax. I'm revising the schedules.
Jacobs: O.K., be sure and go by the bank.
Charlie: Yes sir, Mr. Jacobs.

(The identity of Charlie is unknown).

The following conversation between Mayor McLaughlin and Jacobs appears to refer to the Breakage bill that passed the State Senate and was sent to the House:

12:13 P.M., incoming on No. 2115

B.M.S.

Morris: Hello.
Leo: Who's talking?
Morris: John Morris talking.
Leo: Jake there?
Morris: Who is this?
Leo: Leo.
Morris: Just a minute Leo.
Jacobs: Hello.
Leo: We succeeded in not letting that thing come up this morning. The speaker just let several talk as much as they wanted to about any and everything. They've been raising hell over there for the last 30 or 40 minutes but adjourned at 12 o'clock without it coming up.
Jacobs: Good, I'm going to open up today.
Leo: You gonna be near the phone a while?
Jacobs: Yeah, on crutches today.
Leo: Better leave that damn liquor alone.
Jacobs: That's good for it, try it sometimes.
Leo: I'll call you later.

The following conversation reveals that the employees of Jacobs have been "booking" the races at Oaklawn Park race track, even though Jacobs promised Mayor McLaughlin that the local races would not be booked:

12:23 P.M., outgoing on No. 2115

B.M.S.

Jacobs: 1065
Woman: Southern.
Jacobs: Roscoe, please.
Roscoe: Hello.
Jacobs: We're gonna get open tonight with gambling in the side room. The legislature just finished.
Roscoe: Do you want me to go out to the track then today.
There's one fellow I can beat out there, we made eleven hundred off him yesterday.
Jacobs: Don't bother with that today. Send Cecil out in your place. Show him how you bet. Is Smitty there?
Roscoe: OK, I'll do that. Wait a minute I'll call Smith.
Smith: Hello.

Jacobs: Jacobs talking. Get all dining room tables together and send them out to Belvedere. Get the tools, dice table, wheel, poker, etc., from the other place. Call Watt and tell him to help you. Get the porters to clean things things up.

Smith: OK Mr. Jacobs, I'll attend to everything.

The following conversation indicates that Earl Witt, Circuit Judge, refused to allow the "bookies" to operate downstairs (implied consent to operate upstairs.) It will also be noted that Mayor McLaughlin cautions Jacobs about operating the bookies and suggests that he stay upstairs:

12:34 P.M., incoming on No. 2115

B.M.S.

Jacobs: Hello.

Mayor: Those other fellows were here this morning, Corrigan and Bud Smith both. Smith ask me about using his downstairs and Corrigan answered the question by saying Earl said he would handle him if he did use the downstairs. So be careful, don't take any chances.

Jacobs: Well, we're not gonna do anything.

Mayor: Just so you stay upstairs. Have you made a deal with the Kentucky yet?

Jacobs: No, I was waiting to see Mattars, he claims Ryan owed him back rent. We're opening Ohio, Southern and Belvedere today.

Mayor: This fellow will be over here in the morning, I want to get six hundred from you for him.

Jacobs: OK, I'll see you.

(The reference to the Kentucky apparently refers to the Kentucky Club, a bookie and gambling place, formerly operated by George Ryan, now deceased. Mattar appears to refer to Selim E. G. Mattar, who owns the building in which this establishment is located. Subsequent conversations indicated that Jacobs has purchased this establishment. Corrigan is possibly "Ike" Corrigan, who appears to be a close friend of Earl Witt. The identity of Bud Smith is unknown, as is the identity of "this fellow" to whom Mayor McLaughlin is deliveringing \$600.00.)

The following conversation indicates that Otis McGraw, of the Southern Club, keeps some of the gambling money in his box, (possibly safety deposit.)

1:37 P.M., incoming on No. 2115

B.M.S.

Morris: Hello.
Otis: Who is this?
Morris: Johnny Morris, that you Otis?
Otis: Yeah, lemme talk to Jake, Johnny.
Morris: He just wanted to know if you had five hundred in your box and ten - five altogether.
Otis: That's correct. Tell him I'm gonna send in a twenty-one table and the necessary check racks from the country.
Morris: Sure will Otie.

The following conversation indicates that the "combination" has an interest in the "bank" at the Southern Grill gambling rooms. It is unknown whether the combination refers to an outside organization or the local administration:

4:00 P.M., incoming on No. 2115

J.M.J.

Roscoe: I was talking to that fello - the OK has to come from New York back to Chicago - he believes he can cut in late today or tomorrow.
Jacobs: O.K. See what you can do.
(Phone turned over to "Phil")
"Phil" and Jacobs talked about Phil running a poker game and using "Doc" to take care of things the same as last year. Jacobs agreeable to that.
Phil: Going to operate the bank?
Jacobs: Yes. Guess it'll open at six.
Phil: How about a piece of that?
Jacobs: Can't Phil. It's split so many ways now - the combination is in on that.
Phil: O.K.

The following conversations indicate that "Sonny" Davies, City Attorney, is either interested in the Kentucky Club, or the attorney for Mrs. George Ryan, part owner of the Club:

4:12 P.M., incoming on No. 2115

J.M.J.

Jack: Hello Mr. Jacobs, you wanted me?
Jacobs: Yes, I was wondering if we could have the use of those tables up there until mine arrive.
Jack: I guess so - you would have to call her up and I guess she would want to talk to Sonny (Davies) first.
When do you want them?

Jacobs: Tonight - may use them for two or three days and will pay for the use of them.
 Jack: Oh, there'll be no charge.
 Jacobs: I want to take them up to the Southern tonight, and of course, will pay for them if they burn them up.
 Jack: OK, I'll get hold of Sonny (Sonny Davies) and call you back.
 Jacobs: O.K.

10:55 A.M., incoming on No. 2115 3/12/37

J.M.J.

Judge: How are you feeling?
 Jacobs: Hello Judge - not so good.
 Judge: Sonny is here with me - what do you need.
 Jacobs: Two wheels and a hazard table will do - my wheels will be here in the middle of the week.
 Sonny: Two wheels and a hazard table - anything else Jake?
 Jacobs: She will be glad to help you out.
 Jacobs: No, that's all, thank you.

11:30 A.M., incoming on No. 2115 3/12/37

J.M.J.

Sonny Davies: Say, I spoke to Siene (phonetic) and he said you could have the tables but would have to sign a receipt in case anything happens to them. He claims there is some rent due but I don't want to get mixed up in that.
 Jacobs: O.K. we'll give you a receipt.
 Sonny: Well, when do you want them?
 Jacobs: Anytime - as soon as you can.
 Sonny: OK, I'll call Mrs. Ryan (widow of George Ryan, deceased Hot Springs gambler) up for the key - when will you be down for them.
 Jacobs: Right away.
 Sonny: O.K.

(Seine apparently refers to Selim Mattar)

The following call is self-explanatory and originated with Chief of Detectives Herbert Akers:

5:45 P.M., incoming on No. 2115

J.M.J.

Dutch Akers: Is what I hear so?
 Jacobs: You mean about our opening up? Yes. We are going to open up a little tonight.
 Dutch: Did you hear from my wife?

Jacobs: No, she may have got in touch with Otis. He's been out the club all day - I've been sick in bed.
 Dutch: What's wrong?
 Jacobs: Oh, everytime we have bad weather I get a touch of gout.
 Dutch: You haven't been drunk?
 Jacobs: I should have.
 Dutch: OK, partner.
 Jacobs: OK.

With reference to this conversation it will be noted that Akers inquired if his wife had called Jacobs, who replied that she might have called Otis. These remarks may refer to the employment of Mrs. Akers at the Belvedere Club as a shiller or may refer to some activity in Little Rock. It was noted from previous conversations over the lines of the Police Department that Mrs. Akers called her husband from Little Rock and mentioned that she had arranged for the rental of a house owned by the Assistant Prosecuting Attorney, but that the person who was to live in the house could not move in at that time. Akers also mentioned about some things being hauled from Hot Springs to Little Rock.

Although the party making the following call did not identify himself, it appears that Municipal Judge Verne Ledgerwood made the call, as he maintains offices with "Sonny" Davies:

8:35 P.M., incoming on No. 2115 J.M.J.

"Judge" called Jacobs and asked if Miss Ryan had call yet - Jacobs:
 "Yes, Thank you." Judge: "O.K."

A call at 9:20 P.M., from 2115, indicated that Mayor McLaughlin was with Jacobs at that time.

MARCH 12, 1937

The following conversations appear related and reveal the "tie-up" between the "administration" and gambling, the first call originating with Mayor McLaughlin:

9:30 A.M., incoming on No. 2115 J.M.J.

Leo called Jacobs
 Leo: How is your health?
 Jake: Not so good the doctor is here now.
 Leo: What's wrong?

Jake: Oh, bile, etc., he's giving me the treatment you told me - diet.
Leo: Well, have Roscoe drop by. I want to tell him something.
Jake: O.K.

10:15 A.M., incoming on 2115

J.M.J.

Jacobs: Tink (Tink Young) from Ohio Club called Jacobs:
Say they said no bets less than \$2 are to be taken.
They'll get an injunction if any \$1 bets are taken or if any bets are taken downstairs.
Tink: O.K.
Jacobs: Leo told them fellows 1 bet downstairs and he would padlock the place.
Tink: O.K. - only had about a dozen people here last night but the Southern had so many they all could not play.
Jacobs: Yeah I know - I'll have some more wheels in today.

10:33 A.M., incoming on No. 2115

J.M.J.

Roscoe: You want me?
Jacobs: Get \$600. Go over and see that party (Leo) he'll tell you something.
Roscoe: O.K.
Jacobs: Charge it with that other money.
Roscoe: O.K.

(Note that the \$600.00 is the amount referred to in the call at 12:23 P.M. on March 11, 1937.)

10:55 A.M., incoming on No. 2115

J.M.J.

Judge: How you feeling?
Jacobs: Hello Judge - not so good.
Judge: Sonny is here with me - what do you need?
Jacobs: Two wheels and a hazard table will do - my wheels will be here in the middle of the week.
Sonny: Two wheels and a hazard table - anything else Jake?
Jacobs: She will be glad to help you out.
Jacobs: No. That's all, thank you.

(The Judge apparently is Verne Ledgerwood, Municipal Judge, and "Sonny" is A. T. Davies, City Attorney.)

11:15 A.M., incoming on No. 2115

J.M.J.

Roscoe: Did he tell you what he wants?
Jacobs: No.
Roscoe: Well, they want the Mitt (or Wood) boy to go back to work and Ruth.
Jacobs: Who?
Roscoe: Ruth - Sonny's wife.
Jacobs: Well, OK, I guess.
Roscoe: Who's going to open up this afternoon.
Jacobs: We are not going to open till seven tonight.
Roscoe: Do you want to put the boy shilling?
Jacobs: I don't think he will shill - you better just let him hang around watching.
Roscoe: How about the girl?
Jacobs: I don't know - there's no room around the tables yet - just keep her around.
Roscoe: Would you want them at the Belvedere?
Jacobs: No, I don't want them around there.
Roscoe: O.K. Did they tell you how they made out last night?
Jacobs: No.
Roscoe: I don't know, but they were way down. I gave them a \$1000. then I borrowed \$2000 from Louis and 500 from another fellow.
Jacobs: The house lost then I guess - I gave them \$10,000.00 in cash in the afternoon.
Roscoe: I don't think they went into that - let you know how things were later.
Jacobs: Did he (Mayor McLaughlin) say anything about the \$2 bets?
Roscoe: No - guess we go along the same as ever.
Jacobs: Yes. Call the races - but not loud.

(The "Mitt boy" apparently refers to a relative of Earl Mitt and Gibson Mitt, Circuit Judge and Prosecuting Attorney, respectively. "Sonny's wife" apparently refers to Mrs. A. T. Davies. "Louis" apparently refers to Louis Bloom, of the Kentucky Club.

The following calls apparently originated with someone at the Kentucky Club, probably "Louis" Bloom:

11:46 A.M., incoming on No. 2115

J.M.J.

Man: Say, Mattah (Mattar - auctioneer) called me up and wanted to know what I intended to do - someone else wants the place - Sonny Davis (Davies) called me up for the key.
Jacobs: That's OK they are just going to get me a couple of wheels (roulette wheels) until mine come in next week.

Man: O.K., but I wanted to call you up before I done anything.
 Jacobs: That's right.
 Man: What do you think about the other?
 Jacobs: I don't think it's worth more than \$500, do you?
 Man: Well, I wanted to talk to you about that.
 Jacobs: O.K. come up when you get a chance.

12:00 P.M., incoming on No. 2115

J.M.J.

Man: What do you want - just the wheels - how about chairs?
 Jacobs: No chairs - just the wheels, hazard tables and chips.
 Man: O.K.

The following call reveals that the gambling losses for the night of March 11, 1937 at the Belvedere Club was \$5,000.00 or \$6,000.00, and a loss of \$2,700.00 on the "bookies":

1:43 P.M., incoming on #2115

H.A.S.

Man: (Probably Phillip, at Belvedere) for Jacobs.
 Jacobs: Hello.
 Man: We didn't do so well out here last night. Went down \$5,000.00 or \$6,000.00. I didn't get in until about six this morning.
 Jacobs: Well, you probably need some cash - you had \$10,000.00.
 Man: Don't need so much. Some of that that went out was in cashier's checks.
 Jacobs: All rightie.
 Man: I'll be down after a little bit.

6:15 P.M., incoming on No. 2115

B.M.S.

Roscoe: How you feel Jakie?
 Jacobs: Oh a little better.
 Roscoe: Well, we handled \$5,600 on ? (couldn't catch) and \$10,500 on the big sheets and the house lost \$2700. Just one of those things. Old man B bet me \$2800.00 all told and won \$900.00 finally. He's still here.
 Jacobs: Got a good crowd?
 Roscoe: Yep. Plenty of folks here.
 Jacobs: Alrightie.

The following conversation between Jacobs and Mayor McLaughlin is self explanatory. It is interesting to note that Jacobs mentions that the gambling paraphernalia had to be run right because of the lack of tools.

9:20 P.M., incoming on No. 2115

B.M.S.

Jacobs: Hello.
Leo: Just finished with a long council meeting. We're gonna put in meters from Fountain Street to Market.
Jacobs: When?
Leo: About 10 days.
Jacobs: Had a big loss today, six thousand downtown, two thousand in the country. We haven't many tools yet, so we've got to run 'um right.
Leo: Yeah, you'll be all right in a few days, plenty of business around. You know the fellow I told you about last night, well, his brother asked me today if he could come in and I just put the whole proposition up to him, see. Saw that other fellow at the track today, you know, he says Ed (phonetic) is here and he makes plenty everywhere he goes. The boys were over from Little Rock today and everything looks pretty fine.
Jacobs: There's plenty of nice business around, we'll get straighten out in a few days.
Leo: Is somebody there?
Jacobs: Yeah, Mrs. Riebold, Dr. Smith sent her over.
Leo: That's best. I'll call you sometime.
Jacobs: OK.

MARCH 13, 1937

The following conversation indicates that the gambling money of Jacobs is maintained in the form of "certificates" in addition to cashier's check and certified checks:

10:39 A.M., outgoing on No. 2115

F.T.M.

Jacobs: 109 (John H. Morris, Insurance Agency)
Spoke to "Charles" asking him to come up to the house "open up the box and give some certificates to Roscoe."

The following calls are self explanatory:

12:25 P.M., incoming on No. 2115

W.T.M.

Louie called Jacobs, saying he had seen "Sonny" (Davies) and Mrs. Ryan was moving "that stuff upstairs" and also he had seen Mr. "Matto" (phonetic) (Mattar) about the lease. Both agreed that the price "Matto" was asking for the lease was too high.

(Call between "Louie" Bloom, of the Kentucky Club and Jacobs.)

12:29 P.M., incoming on No. 2115

W.T.M.

Unidentified man called Jacobs about "using that other boy". Jacobs said to put him on a phone temporarily as he had gotten Picci and Ryan's interest and was getting "Matto" straightened out and would open up the Kentucky Club soon and could use "that other boy" there.

(Picci is Matt Picci of the White Front Cigar Store. Ryan is George Ryan, deceased. "Matto" is Selim Mattar.)

1:32 P.M., outgoing on No. 2115

DPS

To 210 (Ohio Cigar Store)
Jacobs: Is Mr. Young there?
Young: (To phone) Hello.
Jacobs: Have you got the phones upstairs?
Young: Yes. Phones, chairs and everything.
Jacobs: Did Wade get you?
Young: No.
Jacobs: He got a footboard out there.
Young: What about the forms?
Jacobs: Keep giving them away.
Young: Alright. It amounts to quite a bit of money, but we can get away from that later.
Jacobs: That's right.
Young: How about \$1 bets?
Jacobs: No. Nothing less than \$2.00. The newspapers don't want anything less than \$2.00.
Young: How about a man wanting to bet \$1.00 to win and \$1.00 to place? Some of the places downtown have been taking them.
Jacobs: No, better not taking anything less than \$2.00. Have any play on the dice?
Young: Yes. Pretty good last night and two or three now.

Jacobs: How much? A dollar?
 Young: No, fifty cents. Wanta make it a dollar?
 Jacobs: Yes. You'd better. They want to get away from
 that cheap gambling.
 Young: Alright. I'll fix it Monday.

(Note that racing forms or sheets are being given to the "bookies" free of charge. "They want to get away from that cheap gambling" apparently refers to the administration.)

1:38 P.M., outgoing on No. 2115 D.P.S.
 To 2791 (Unpublished - Southern News Club)
 Man Calling: Is Roscoe (Johnson) there?
 Roscoe: (To phone) Hello.
 Man: How ya bets?
 Roscoe: Taking \$1.00 at some places. I called "The Kingfish"
 (Mayor McLaughlin) about it.
 Man: That's what I told 'em.
 Roscoe: What did the Chicago Office say?
 Man: I called but couldn't get them. I'll get 'em as soon
 as this race is over.

(The "Kingfish" apparently refers to Mayor McLaughlin. The Chicago Office refers to the Chicago headquarters of the Nation Wide Service.)

1:40 P.M., outgoing on No. 2115 D.P.S.
 To 210 (Ohio Cigar Store.)
 Man: Mr. Young there?
 Young: (To phone) Hello.
 Man: Roscoe said he called back a second time on those
 fellows downtown. He said the Kingfish said "no
 bets less than \$2.00.

The following calls reveal the activity that followed the arrival in Hot Springs of Supt. Gray Albright of the State Rangers:

3:19 P.M., incoming on No. 2115 D.P.S.
 Man: Mr. Jacobs?
 Jacobs: Yes.
 Man: Otho (Phillips) calling. The Rangers are in town.
 They're closing everything up, but not taking any
 furniture. Marion (Marion Anderson, Sheriff) called
 and said to close everything down.

Jacobs: Were you out to the race track?
Phillips: No.
Jacobs: I'll see what there is to it.

3:20 P.M., outgoing on No. 2115 D.P.S.
210 (Ohio Cigar Store)
Jacobs: Did you hear anything about the Rangers being in town?
Tink Young: No.
Jacobs: Otis and Marion called and said they were closing everything, but aren't taking any furniture.
Young: Leave everything as it is?
Jacobs: Yes.

3:21 P.M., outgoing on No. 2115 D.P.S.
To 2791 (Southern Club)
Jacobs: Anybody been up there trying to close you?
Man: (Otis McGraw) No. Herb said someone told him they were going around and closing places that were open downstairs.
Jacobs: Want me to call Marion? (Marion Anderson)
No, but walk around there a bit, though.

3:22 P.M., outgoing on No. 2115 D.P.S.
To 1117 (Kentucky Tap Room)
Jacobs: "Doc", be careful about taking anything downstairs.
Doc: They are going around a bit.
Doc: Alright, Mr. Jacobs.

3:26 P.M., outgoing on No. 2115 D.P.S.
To 613 (Sheriff's Office)
Jacobs: Who's talking? Pete?
Pete: Yeah.
Jacobs: Any new orders?
Pete: Yes. Tried but couldn't reach you. They will be up there in a few minutes. Just got a call from Marion (Anderson) at the track.
Jacobs: You mean close everything, or you mean downstairs?
Pete: No. Everything.
Jacobs: Alrightie.

3:27 P.M., outgoing on No. 2115 D.P.S.
To 2791 (Southern Club)
Jacobs: Roscoe (Johnson) there?
Roscoe: Hello.
Jacobs: I think you are right. I just talked to Pete. Marion phoned and said to close everything up. Orders from Little Rock, I guess.

3:30 P.M., outgoing on No. 2115 D.P.S.

Jacobs: To 210 (Ohio Cigar Store)
Tink there? (Tink Young)
Young: Hello.
Jacobs: That is going to be right. Pete said they come up from Little Rock to close everything up. If they come, better close. Marion called from the race track.
Young: Alright.
Jacobs: It may be a mistake, but I don't think so.

3:31 P.M., incoming on No. 2115 D.P.S.

Smitty: Jake, this is Smitty. Did you get anymore stuff?
Jacobs: Don't know. Are the doors locked?
Smitty: Yes.
Jacobs: Looks like they're gonna tell us to close.

3:34 P.M., outgoing on No. 2115 D.P.S.

Jacobs: To 2791 (Southern Club)
Roscoe, have you heard anything yet?
Roscoe (Johnson): No.
Jacobs: Give Marion a call out there.
Johnson: Don't know where to reach him. Want me to send a boy out there and have him call me?
Jacobs: Yes. You can do that.

3:36 P.M., outgoing on No. 2115 D.P.S.

Jacobs: To 613 (Sheriff's Office)
Heard anything yet, Pete?
Pete: No. Roy Erney is on his way up.
Jacobs: What's he going to do? Tell 'em to close?
Pete: Yeah. Haven't heard anything from the track yet.
Jacobs: Alrightie.

(Roy Erney is a Deputy Sheriff)

3:37 P.M., incoming on No. 2115 D.P.S.

Man: Erney and a deputy are here and said to close. They got orders to close. Erney said he would call you up from downstairs.
Jacobs: I know the deputy, Bill Howe.
Man: Should we move the stuff?
Jacobs: Not until we hear something. It may only mean the horses.

(Call apparently originated on 2nd floor of Southern Grill.)

3:53 P.M., incoming on No. 2115

D.P.S.

Mayor McLaughlin: They report about cutting the "take" in two at the race track yesterday, and that taking bets did it. Have you been taking them?

Jacobs: No, not one.

Mayor: I was talking to the Comptroller. There were four or five there. Albright (Head of State Rangers) was there and asked about the Belvedere. Somebody said they were against all organized gambling.

Jacobs: We won't open until we get further word. You'll call me soon as you hear?

Mayor: They said that during the races, the "books" shouldn't be open.

Jacobs: In a lot of places, they close the "books" when there's races. We're closed,

3:56 P.M., incoming on No. 2115

D.P.S.

Man calling: Mr. Jacobs?

Jacobs: Yes.

Man calling: This is Erney (Erney, Deputy Sheriff). Did you get those orders?

Jacobs: Yes.

Erney: Not to open. To close the Belvedere tonight.

Jacobs: Alright.

(Note that this is an apparent "tip-off" by Deputy Sheriff Roy Erney.)

4:02 P.M., incoming on No. 2115

D.P.S.

Man calling: All the people are out of here. There's no use in going out the track now is there?

Jacobs: I guess not. Got orders to stay closed. Leo (McLaughlin) said to close tonight and stay closed.

Man: Did Leo call you?

Jacobs: Yes. He said they cut the "take" out at the track in two.

Man: Ha, Ha, Ha!

Jacobs: Don't tell anybody we handled that much.

Man: No.

4:07 P.M., incoming on No. 2115

D.P.S.

Tink Young: What's new?

Jacobs: Just talked to "The Kingfish" (Mayor McLaughlin) He said they cut the "take" in two at the track yesterday.

Young: Hah! What about it?
 Jacobs: It cut the State's share. Yesterday was a bad day.
 It rained. He said to close everything; Southern;
 Belvedere.
 Young: Guess we'll have to go on the sneak again.
 Jacobs: If you can grab anything, take it, but don't let
 them upstairs.
 Young: O.K.

(Note "double-cross" of Mayor McLaughlin by Jacobs
 and his men.)

4:37 P.M., outgoing on No. 2115 to 1876 (?) (1876J- R.C.Raef) D.P.S.
 (1876W-F.W.Doster)

Man asked woman if Miss Limbach (phonetic) at home,
 Was told she went downtown. Man said he would be
 home in a little bit.)

(1876-J is listed to Roy G. Raef, Clerk of the County
 Court. 1876-W is listed to Frank W. Doster, whose
 identity is unknown. Apparently the call was made by
 Raef.)

5:27 P.M., incoming on No. 2115 D.P.S.

Man Calling: Tink. Hear anything?
 Jacobs: Got orders not to do anything, especially on the
 Southern and Belvedere. I was talking to the
 "Kingfish" and he said not to do anything until
 he got over there.
 Tink Young: Think we can "sneak" a little crap?
 Jacobs: I don't know about that. He sounded pretty sore.
 They said it cut the "take" in half at the track
 yesterday.
 Young: They're exaggerating. That sounds like some of
 Ed Farris' stuff.
 Jacobs: They forgot that yesterday was a rainy day.
 Young: He ought to be able to find the low down on it.
 Jacobs: He's got it. He told them fellows over there that
 we haven't been taking any bets. I told him when
 we were talking about re-opening that they ought
 to keep the books "closed" for a month. If fellows
 like Martin or Farris get anything it's like striking
 a match. He's trying to get connected, but Saturday
 night it's hard. Persons are out on parties and
 everything. I'll try to get hold of him and Marion
 (Anderson). Understand, not so many at the races.

Young: Heard there were 8,000. That ought to be enough.
I think I will go home for dinner.
Jacobs: Alright, Tink.

(Martin apparently refers to Joe Martin, Manager of Oakland. Farris is Ed Farris, Secretary of the Racing Commission.)

7:15 P.M., incoming on No. 2115 B.M.S.

Leo: Hello.
Man: Lemme talk to Jake.
Leo: Jake is in bed sick, this is Leo.
Man: That's fine, I was gonna ask Jake what you had found out.
Leo: Well, I talked to Grady Manning and his idea of this thing is that the books were interfering with the State tax. The take is not what it should be. The handle dropped off 50% and they blame the books for it and there is some justification to this. But Belvedere just got caught in the rush. He thinks the fellows from Little Rock did not intend to touch Belvedere - it was an after thought. We should get it ironed out by Tuesday.
Man: OK, thanks a lot Leo.

(Grady Manning is President of the Southwest Hotel Chain, with offices in Little Rock, and reported to be close to the State administration.)

9:05 P.M., incoming on No. 2115 B.M.S.

Woman: Is Leo there?
Jacobs: No, Leo has been here more than an hour, but he is gone now.
Woman: Thank you.

MARCH 14, 1937

5:20 P.M., incoming on No. 2115 H.A.S.

Jacobs: Hello.
Man: Hello, Jake, how are you feeling?
Jacobs: Better, thank you.
Man: Have you heard anything?
Jacobs: Our people have got a connection - think we'll get it straightened out by Tuesday.
Man: O.K. That's fine.
Jacobs: Yes, we'll be ready by Tuesday.

An outgoing call at 7:15 P.M., on this date indicated that Mayor McLaughlin was with Mr. Jacobs at that time and was with him at 8:53 P.M., when he made another call.

P-E-N-D-I-N-G

K

Federal Bureau of Investigation
United States Department of Justice

Post Office Box #1469,
Little Rock, Arkansas,
March 30th, 1937.

Director,
Federal Bureau of Investigation,
Washington, D. C.

RE: GEORGE TIMINEY; DR. JOSEPH
P. MORAN, with aliases,
FUGITIVE, I. O. #1232; et al;
EDWARD GEORGE BREMER - VICTIM -
KIDNAPING; HARBORING OF FUGITIVES;
OBSTRUCTION OF JUSTICE; NATIONAL
FIREARMS ACT.

Dear Sir:

The report of Special Agent B. L. Damron, dated at Little Rock, Arkansas, March 5th, 1937, rendered in connection with the above captioned matter, has now been approved by me, as instructed by the Bureau in communication of March 19th, 1937 (7-576), and the same is returned herewith.

It is regretted that the Bureau has been caused any inconvenience in this matter.

Very truly yours,

Chapman Fletcher
CHAPMAN FLETCHER,
Special Agent in Charge.

CF:DAN
Enclosure (1)
7-2

RECORDED
159

7-576-3-84	
APR 1 1937	ONE
FBI - LITTLE ROCK	

FEDERAL BUREAU OF INVESTIGATION

97935

Form No. 1

THIS CASE ORIGINATED AT Cincinnati, Ohio.

L.R. FILE NO. 7-2

REPORT MADE AT Little Rock, Arkansas	DATE WHEN MADE 3/27/37	PERIOD FOR WHICH MADE 3/15-20/37	REPORT MADE BY JOHN L. MADALA cpw
TITLE GEORGE TIMINEY; DR. JOSEPH P. MORAN, with aliases - FUGITIVE; I. O. No. 1232; ET AL; EDWARD GEORGE BREMER - Victim.			CHARACTER OF CASE KIDNAPING; HARBORING OF FUGITIVES; OBSTRUCTION OF JUSTICE; NATIONAL FIREARMS ACT.

SYNOPSIS OF FACTS:

Conversations of interest overheard on taps on police and mayor's and W. S. Jacobs' telephones at Hot Springs, Ark., for period March 15 to 20, 1937, inclusive, set forth herein. Taps on police and mayor's telephones re-established on Mar. 15, 1937. Logs for this period reveal that C. E. Palmer, publisher of the daily newspapers in Hot Springs is apparently go-between for gambling syndicate in Hot Springs and Gov. Carl E. Bailey. Through this medium the gambling at the Southern and Belvedere Clubs, both owned by W. S. Jacobs, were unofficially permitted to re-open on March 19, 1937. Logs and newspaper articles also reveal that the administration at Hot Springs has started to corruptly operate to retain political control at Hot Springs by buying poll tax receipts in wholesale lots in order to have the upper hand in the Democratic State Primary in 1938.

- P -

REFERENCE:

Report of Special Agent B. L. Darnon, Little Rock, Arkansas, dated March 23, 1937.

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11 MAR 25 1965

APPROVED AND FORWARDED <i>[Signature]</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES <div style="font-size: 2em; text-align: center;">7-5763-85</div> <div style="text-align: right;">APR 1 1937</div>	
COPIES OF THIS REPORT 3- Bureau 2- Cincinnati 1- Cleveland 1- Chicago 1- Mr. Connelley 4- Little Rock		

DETAILS:

As previously reported, the taps on the telephones in Hot Springs, Arkansas, were temporarily removed on March 12, 1937, because of the activities of the local telephone company employees in the immediate vicinity of the Bureau's point of surveillance at 207 Laurel Street. On March 17, 1937, after it was definitely determined that the telephone company had apparently finished their work in the vicinity of the Laurel Street address, these three taps were re-established by reporting agent, and were in operation at 2:40 P.M. on that date. The Bureau was advised by letter on the same date of the re-installation of these taps.

Reporting agent reported for duty at Hot Springs, Arkansas, on the afternoon of March 15, and is assisting Special Agents B. M. Suttler and D. P. Sullivan in the maintenance of the tap on telephone 2115, the unlisted telephone of W. S. Jacobs, the point of surveillance being at 209 Cedar Street. Special Agent R. H. Laughlin reported for duty at Hot Springs on the night of March 19, 1937, and is, together with Special Agents H. A. Snow and William T. Morton, maintaining the surveillance of the police and mayor's phones at 207 Laurel St.

Special Agent B. L. Damron is temporarily relieved of his duty of preparing weekly reports in this case, and these reports will be submitted by reporting agent.

The data contained in this report has been taken from the telephone tap logs submitted by the agents at Hot Springs, and supplemented by articles of interest taken from the local newspapers. Telephone 123 is listed to the Hot Springs Police Department, 446 is listed to the Chief of Police, 648 is listed to the Mayor's office, and 2115 is an unlisted number, assigned to W. S. Jacobs. This report covers the logs submitted for the period March 15 to 20, 1937, inclusive.

The following conversations taken from the logs, and supplemented data, appear to be of interest to this investigation. The agent who overheard each conversation has placed his initials opposite the reported conversation for future identification reference. The following conversation appears to be of interest in connection with the political set-up at Hot Springs:

9:15 A.M.

Incoming on No. 2115

W.T.M.

Man with voice similar to that of Mayor McLaughlin carried on general conversation with Jacobs about his health and the weather, and also informed, "We won the case in the Supreme Court." The caller also advised Jacobs that Mr. McHaney (phonetic) had just called reporting the loss of his field glasses at the Belvedere the other night, and wants Jacobs to see if he can find them.

The above statement, "We won the case in the Supreme Court.", undoubtedly refers to the decision handed down by the Arkansas Supreme Court on March 14, 1937, upholding the right of Marion Anderson to serve as Garland

County Sheriff, in which it was held that the Garland County Circuit Court acted correctly in dismissing an election suit in which Clyde Wilson, one of Anderson's opponents contested his nomination. It is of interest to note that Sheriff Anderson was represented in this contest by A. T. Davies, Gibbs, that James R. Campbell, and Leo P. McLaughlin, the nucleus of the political machine at Hot Springs.

OO OO OO OO OO OO

The following two conversations indicate that W. S. Jacobs some participation in the opening of a new gambling casino in Hot Springs. Recent conversations have revealed that a new gambling room will soon open upstairs at 514 Central Avenue:

9:17 A.M. March 15, 1937 Incoming on No. 2115 W.T.M.

Unidentified man called Jacobs, asking about his health. Jacobs said, "We won our case in Supreme Court - that case where they were trying to put Anderson out - our side won." Jacobs also told him to go on with his preparation of "that room" as he thought "things would be straightened out by Tuesday - but I guess we'll have to give up the horses."

3:00 P.M. March 15, 1937 Incoming on No. 2115 H.A.S.

Man: (After inquiring as to Jacobs' health.) I've got the lease to that property in my pocket - haven't signed it yet - was just going to take it up the Charlie Harmon's and have it notarized. We'll have to pay for running a new water main from the house, under the sidewalk, to the meter - he was down there the other day in a car with his mother, so couldn't get to talk to him much - didn't get to ask him about that \$40.00.

Jacobs: How much did you get it for?

Man: Got it for \$75.00 per month from April 1st to next January 1st, and for \$100.00 month during all of 1938.

Jacobs: I think I'd try to cut off that part of the lease about 1938 and just offer \$75.00 month for 1937 - you know we may not be able to open up at all for the next two years while that damn fool is in office and would just be stuck for that extra \$1200. That would be a lot of dead money to pay out.

Man: Yes. All right. I won't sign it until I see him again and talk to him. Bill, here, wants to talk to you.

Bill (Miller?): Mr. Jacobs, you know I'm trying to sell my place - I've got three safes - one big one - I'd have to store somewhere. You are welcome to use them if you need them.

Jacobs: Thanks, I'll let you know.

-- oo -- oo -- oo -- oo --

The following conversations indicate that W. S. Jacobs purchased some gambling equipment from Chicago and Detroit for the Southern and Belvedere Clubs, probably to replace paraphernalia confiscated and subsequently burned by officers of the State Revenue Department on January 29, 1937:

2:30 P.M. March 16, 1937 Outgoing on No. 2115 H.A.S.

Jacobs: Called 82 (Murray Transfer Co.) Inquired whether another shipment had been received from Detroit.

Wood: Yes, one shipment today was just sent out to Southern Grill - Roscoe told me - you had one shipment the other day too.

Jacobs: I want the shipment from Chicago to go to the Belvedere and the shipment from Detroit to the Southern Club.

Wood: Yes, sir. It's already gone.

2:45 P.M., March 16, 1937 Incoming on No. 2115 H.A.S.

Jimmie (Phillips): Informed Jacobs that express company was unloading a shipment of seven boxes in ally by Southern Club - four boxes from Chicago, and three from Wells Co. at Detroit.

Jacobs: Informed Jimmie that the Chicago shipment was to go to Belvedere and Detroit boxes from Wells were to go upstairs in the Southern Club. Said he'd call Murray Transfer Co.

2:48 P.M., March 16, 1937 Outgoing on No. 2115 H.A.S.

Jacobs: Called 82 (Murray Transfer) advised man there to send to Southern Grill for boxes to go out to Belvedere Club.

Man: Yes, sir.

-- oo -- oo -- oo -- oo --

The following conversation between Leo P. McLaughlin and W. S. Jacobs indicates that an individual in power, possibly Governor Carl E. Bailey, wants Jacobs or the administration to give some friends of his a job. Bransford, mentioned herein, is probably identical with John Bransford, Speaker of the Arkansas State House of Representatives. This conversation also indicates that W. S. Jacobs contemplates doing some gambling on the sneak, and the Mayor sanctioned this procedure:

6:00 P.M., March 16, 1937 Incoming on No. 2115 B.M.S.

Jacobs: Hello.
Leo: Well, how you feeling?
Jacobs: Better; I can turn over in bed without any pain now.
Leo: I just came in from the track, betting was pretty brisk.
Say, you must have been talking to a lot of gals lately, someone was just telling me your telephone was tapped. How about it?
Jacobs: (Grunted) Uh huh - I dunno.
Leo: I was talking to that fellow Bransford out at the track today. He said that he was talking to "you know" and he expected us to give those people jobs. I told him that we was going down the line with him all the way but we can't give 'em a job now. He said, 'well those folks have got to have a place to stay so why don't you open up that place over there.' I told him I'd see him later about it and for him not to tell him he had talked to me. He said he wouldn't tell. I think Bransford is all right.
Jacobs: Yeah he's all right. What do you think about us sneaking a little dice down at the Ohio tonight?
Leo: Well, you've been doing it anyhow haven't you?
Jacobs: No we haven't. We've been painting upstairs and getting things fixed up, we just thought we'd sneak a little dice tonight.
Leo: Well, I'd be mighty careful about it.
Jacobs: We will.
Leo: Well, I'll see you later.

10:10 P.M., March 16, 1937 Incoming on No. 2115 D.P.S.

Tink: Hello.
Jacobs: I was talking to "that fellow" (McLaughlin) and asked him about "sneaking" a little and he said you are "sneaking" a little already. He said we should be particular and I told him we were just painting up there. If I don't hear anything by tomorrow night, we will sneak a little.

Tink Young: Well, we'll be ready.
Jacobs: I won't see him before six o'clock.

-- oo -- oo -- oo -- oo --

The following conversation reveals the political set-up at Houston, Texas, where Lee Brown apparently resides:

6:14 P.M., March 16, 1937 Incoming on No. 2115 B.M.S.

Jacobs: Hello.
Otho: Otho talking Mr. Jacobs, how you feel?
Jacobs: Feeling better, Otho.
Otho: That's good. I've been out to the track. I've got a letter in my pocket for you from Lee Brown, do you want me to bring it by or read it to you now?
Jacobs: Open it up and read it to me, might be a check in it.
(Both laugh.)
Otho: He says, "I went up to see Mr. Anderson about that machine and he says he'll look out for you and let you know. I talked to Tom Reid and with that service man, he said to thank you for what you had done on that. The City Council has this fellow Packindau (phonetic) up for investigation, he's on the vice squad; we are holding out until this fellow is kicked off the vice squad and the Police Department gets settled. If he gets kicked off it will be much better for me here. Am holding to the apartment but will not open until this Police thing is settled. Jessie Jones will be here tomorrow, I'll see him about that thing". That's about all he says Mr. Jacobs and there's no check in here. I hated to bother you by calling but am glad to hear you are feeling better.
Jacobs: Thanks Otho, just call or come by any time.

-- oo -- oo -- oo -- oo --

The following conversation indicates that W. S. Jacobs is booking horses on the sneak at either the Ohio or Southern Club:

7:21 P.M., March 16, 1937 Incoming on No. 2115 B.M.S.

Man: How you feel Jake?
Jacobs: Oh, little better.

Man: We did a good business today, handled lots but lost ten seventy-five thirty-five (\$1075.35), the markers were 9100, chases 3199. Levy bet me 600 on one horse, he bet 1210 altogether and lost.

Jacobs: Well it can't be helped. None of those track officials come around, do they?

Man: I don't know any of 'um, who you mean?

Jacobs: You know, the racing commission.

Man: Landers (or Landis) was around today about one o'clock.

Jacobs: Well, I wouldn't tell him too much, him or Farris neither, they both are trying to be little big men. Landers is the one that turned me into Sam.

Man: OK, Jake, I'll see you.

-- 00 -- 00 -- 00 -- 00 --

The following conversation indicates the extent of the dining room business at the Southern Club:

9:30 A.M., March 17, 1937 Outgoing on No. 2115 W.T.M.

1065 (Southern Grill)

Jacobs: Jacobs talking. How was business yesterday?

Woman: Very good - 733 on food - that was very good. (usual exchange of conversation about Jacobs' health followed, when he advised that he would be out in a day or so.)

-- 00 -- 00 -- 00 -- 00 --

The following conversation reflects to some measure, the extent of Jacobs' gambling operations:

3:32 P.M., March 17, 1937 Incoming on No. 2115 B.M.S.

Jacobs: Hello.

Man: Kutch (or Dutch) gave me a check for \$2000 dated December 15, said he was leaving tomorrow and wanted to settle up before he left. The other thousand he'll send a check for later."

Jacobs: Well, just stick it in your pocket.

Man: OK.

-- 00 -- 00 -- 00 -- 00 --

Mr. John Atkins, a State Revenue Officer, became disorderly at the Belvedere Club on the night of March 17, 1937 and was thereafter taken to the Sheriff's Office and booked for disorderly conduct and drunkenness by Arch Cooper, guard at the Belvedere Club, and former city police officer. the following conversations appear to be of interest in regard to this matter:

10:13 P.M., outgoing on No. 2115, March 17, 1937 D.P.S.
To 613 (Sheriff's Office)

Jacobs: Is Cooper there?
Man answering: No, he's gone.
Jacobs: This is Jacobs. Do you have a man there?
Man answering: Yeah. He's here in the office right now.
Jacobs: I wanted to do what I can for him. He was out there drinking and using bad language.
Man: Yessir.
Jacobs: You can let him go.
Man: Alright, we'll turn him out.

11:03 P.M., March 17, 1937 Incoming on No. 2115 J.L.M.

Otho: How do you feel?
Jacobs: All right.
Otho: I just got back - it was a long and tiresome ride.
Jacobs: There was a fight at the Club tonight.
Otho: Yeah, I heard about it - anything serious?
Jacobs: No. They got this fellow Atkins, at the Sheriff's Office now. We had no right to arrest him at the club; we can only put people out of the club if they become disorderly.
Otho: Arch Cooper should have been out there when we opened - he came there drunk.
Jacobs: Yeah, that's bad. This fellow's brother is head of the Penitentiary Board, and is a Robinson man. He has got plenty of pull.
Otho: This Atkins got in trouble at the club once before - he's wild when he gets drunk.
Jacobs: Yeah, I remember he took part in that last raid - he was at Miller's place. Of course, he couldn't help it. He had to go along.
Otho: What are they going to do with him?
Jacobs: I told Marion (Anderson) that I would like to get him out if we could - Marion said he would take care of him.
Otho: I hope there won't be a squawk about this - now is a bad time to have any trouble with those fellows.
Jacobs: Yeah, I know - that's the way those things happen.
Otho: I'll run out to the club for awhile and then go to bed. I'll call you tomorrow.

-- oo -- oo -- oo -- oo -- oo --

The following conversation reveals the Mayor's interest in W. S. Jacobs' gambling enterprises in Hot Springs, and his strategy in keeping in line with people in political power, so as not to cause any unnecessary "heat" on the gambling operations in Hot Springs, Arkansas:

9:45 A.M., March 18, 1937 Outgoing on No. 648 B.M.S.

Mayor contacted Operator 4, Little Rock, Ark.

Will Atkins: Hello, Leo.

Leo: The reason I called you was to tell you about John (Atkins) before you heard it from someone else, so as not to impair our friendship. I think John got mixed up around here last night. The Sheriff was telling me about it. He had about two drinks too many out at the Belvedere last night and got to talking too loud about bringing some officers in here. Anderson talked to him but didn't get far, they took him down to his hotel. Just wanted to let you know.

Will Atkins: Thanks a lot Leo, I appreciate you calling me a whole lot.

-- oo -- oo -- oo -- oo --

There appeared a newspaper article in the Hot Springs New Era dated March 8, 1937, disclosing that Elmer Tackett will oppose Leo P. McLaughlin in the general city election on April 6, 1937 for the office of Mayor of Hot Springs, Arkansas. The article went on and related that Tackett was drafted by a cross section of the business, professional and laboring men of Hot Springs, to make the race for Mayor, and that from all indications the mass of people apparently feel that the future welfare of Hot Springs depends largely upon a change in the Mayor's Office at this time. The following two conversations apparently refer to the general city election on April 6, 1936 and clearly reveal the corrupt politics prevalent in Hot Springs:

10:50 A.M., March 17, 1937 Incoming on No. 2115 W.T.M.

Mayor called Jacobs, saying it looked like "that fellow is going to stay in" and that they needed to begin to get organized right away. He instructed Jacobs to get up a list of all outsiders, outside help - also mentioned the orchestra now at the Belvedere and the one formerly there - with addresses, and send them down to his (Mayor's) office.

NOTE: "That fellow" in the above conversation probably refers to Elmer Tackett.

10:52 A.M., March 17, 1937 Outgoing on No. 8125

The following information indicates an attempt to obtain names of voters for use in obtaining poll tax receipts which will be used in next year's State Primary election; that he conveyed this information in a letter to Governor Bailey. He further said that he had been informed by a reliable source that solicitation of names for use in paying poll tax had been ordered by the administration Thursday morning in the Mayor's office. He stated

The following information indicates an attempt to obtain names of voters for use in obtaining poll tax receipts which will be used in next year's State Primary election; that he conveyed this information in a letter to Governor Bailey. He further said that he had been informed by a reliable source that solicitation of names for use in paying poll tax had been ordered by the administration Thursday morning in the Mayor's office. He stated

P.M. March 17, 1937 Outgoing on No. 8125 J.L.M.

Thelma: No. She's at the Beauty Shop - who is this?
Watkins: Watkins of the Police Department - who is this?
Thelma: Thelma.

Thelma: Let me speak with Charlie.
Watkins: This is Charlie. When do you expect to see him?
Thelma: I am about to see him - she's at the Beauty Shop.
Watkins: I'll call back.

P.M. March 17, 1937 Outgoing on No. 8125

The following information indicates an attempt to obtain names of voters for use in obtaining poll tax receipts which will be used in next year's State Primary election; that he conveyed this information in a letter to Governor Bailey. He further said that he had been informed by a reliable source that solicitation of names for use in paying poll tax had been ordered by the administration Thursday morning in the Mayor's office. He stated

The March 11, 1937 issue of the Arkansas Gazette newspaper

contained an article by Frank L. Hot Springs, an employee of the State, soliciting names of voters for use in obtaining poll tax receipts which will be used in next year's State Primary election; that he conveyed this information in a letter to Governor Bailey. He further said that he had been informed by a reliable source that solicitation of names for use in paying poll tax had been ordered by the administration Thursday morning in the Mayor's office. He stated

the gamblers and bookmakers were requested to attend. Huff went on to relate that while standing in the grandstand at the race track he saw one of the ushers in uniform present a document to various persons for signature; that naturally this aroused his curiosity, and he succeeded in getting close enough to hear him request two spectators, strangers to him, to sign the paper and to hear the usher explain that it was to be used to buy poll tax receipts. Huff stated that he was successful in getting a glimpse of this paper and from what he saw it appeared to be a petition or authorization for the person concerned to assess the poll tax of the person signing the document. He said there appeared to be some 30 or 40 names signed to the paper; that when the usher, whom he did not know, recognized him, the usher took the paper and put it in his coat pocket and walked off and attended his duties as usher.

With reference to the underscored sentence appearing above, it would appear that the following calls emanated from the Mayor's office, confirming the statement of Mr. Huff in regard to this matter:

9:31 A.M., March 18, 1937 Outgoing on No. 548 B.M.S.

Hazel: 1987 (C. J. Spencer)
Operator: Line is busy.
Hazel: Then give me 341 (Citizens Sporting Results)
Woman: Citizens.
Hazel: Is Mr. Harris there?
Woman: No.
Hazel: Just a minute.
Geo. McLaughlin: Say is Nix there?
Woman: Yes.
Nix: Hello.
George: Nix, George McLaughlin. When Ben gets down there tell him to bring all the boys and meet Leo at 11 o'clock down here.
Nix: Sure will.

9:32 A.M., March 18, 1937 Outgoing on No. 648 B.M.S.

Hazel 1987 (Spencers)
Man: Hello.
Hazel: Is Spencer there?
Oliver: Hello.
Hazel: Oliver, Hazel. Leo wants you up here at eleven o'clock, and bring all the boys.
Oliver: O.K. Hazel.

9:33 A.M., March 18, 1937 Outgoing on No. 648 B.M.S.

Hazel: 840 (Blue Ribbon Club)
Woman: Blue Ribbon.
Hazel: Is Louie there?
Woman: No.
Hazel: Gordon?
Woman: No.
Hazel: Well, George Hackers.
Hackers: Hello.
Hazel: George, Hazel. Could you and Louie and Gordon and
 the other boys meet Leo at eleven o'clock down here?
Hackers: Sure, we'll be there.

9:35 A.M., March 18, 1937 Outgoing on No. 648 B.M.S.

Hazel: 764 (Millsaps Sporting Results)
Man: Hello.
Hazel: Is Mr. Smith there?
Man: No, this is Mike (phonetic).
Hazel: Well, Mike, Leo wants all the boys who are around to
 come over to a meeting at eleven o'clock.
Man: All right. I'll tell 'em.

9:36 A.M., March 18, 1937 Outgoing on No. 648 B.M.S.

Hazel: 210 (Ohio Club)
Man: Hello.
Hazel: Is Henderson there?
Man: No, Jackson talking.
Hazel: Jackson this is Hazel, Leo wants all the boys around
 there over at the City Hall at eleven o'clock.
Jackson: Sure Hazel.

9:37 A.M., March 18, 1937 Outgoing on No. 648 B.M.S.

Hazel: 1065 (Southern Club)
Hazel: Is Mr. Phillips there?
Mrs. Phillips: No, he's at home asleep, this is Mrs. Phillips.
Hazel: Mrs. Phillips this is Hazel, tell Jim to bring all the
 boys with him to the City Hall at eleven o'clock
 Leo is having a little meeting.
Mrs. Phillips: Sure Hazel, I'll call Jim now.

9:38 A.M., March 18, 1937 Outgoing on No. 648 B.M.S.

Hazel: 661 (City Barn)
Gilbert: Hello.
Hazel: Is Jim there?
Gilbert: No, this is Gilbert talking.
Hazel: Gilbert, this is Hazel, Leo wants any of the boys who
 are not out on the street working to come up here
 at eleven o'clock.

9:39 A.M., March 18, 1937 Outgoing on No. 648 B.M.S.

Hazel: 1124 (City Fire Department)
Archie: Hello.
Hazel: Archie, Hazel, there's going to be a little meeting
 here at eleven o'clock, any of the boys who are not
 on duty, bring up.
Archie: All right Hazel.

9:41 A.M., March 18, 1937 Outgoing on No. 648 B.M.S.

Hazel: 1542 (Fred J. Mazzia, Cigars)
Mazzia: Hello.
Hazel: Mr. Mazzia, this is Hazel at the Mayor's office. We
 wondered if you and the boys could come up for a
 little meeting at eleven o'clock.

9:41 A.M., March 18, 1937 Incoming on No. 446 W.T.M.

Hazel Marsh: Raspberry - there will be a meeting at the office this
 morning at eleven and Leo wants all the boys there
 to come.

9:50 A.M., March 18, 1937 Outgoing on No. 648 B.M.S.

Hazel: 1424 (Roscoe Johnson)
Woman: Hello.
Hazel: Maude, is your husband there?
Maude: No, he's at the Southern, Hazel. He's been gone
 about 30 minutes.

9:52 A.M., March 18, 1937 Outgoing on No. 648 B.M.S.

Hazel: 1065 (Southern Club)
 Operator: The line is busy.
 Hazel: 116 (Miller's Cigar Store.)
 Freddie: Hello.
 Hazel: Is Wheatley in?
 Freddie: No.
 Hazel: Is Red Powers or Harry Bledsoe there?
 Freddie: No, this is Freddie.
 Hazel: Where are they?
 Freddie: They are all over the restaurant where they're fixing up.
 Hazel: Well, go over and get one of them and have him call 648.

9:55 A.M., March 18, 1937 Incoming on No. 648 B.M.S.

Roscoe Johnson: You want me, Hazel?
 Hazel: Yes, I want you and any of the boys who are around
 to come over the office at eleven o'clock.

10:12 A.M., March 18, 1937 Incoming on No. 648 B.M.S.

Wheatley: Herb Wheatley talking.
 Hazel: We are having a little meeting at eleven o'clock
 Herb, come up and bring all the boys with you.

10:20 A.M., March 18, 1937 Outgoing on No. 445 W.T.M.

Akers called Mayor, asking if he wanted to pull the men off of their
 "beats" for the meeting in his office. Mayor said he did not - just
 two or three of them at the time could come when they could get off.

10:59 A.M., March 18, 1937 Incoming on No. 648 B.M.S.

Woman: Let me speak to Leo
 Hazel: Just a minute.
 Leo: Hello.
 Woman: Leo, would you like to have these lists of the ones
 who have lists before you go up to the meeting?
 Leo: Yes I would.
 Woman: OK.

11:05 A.M., March 18, 1937 Incoming on No. 648 B.M.S.

Earl: May I speak to Leo?
Hazel: Earl?
Earl: Yes.
Hazel: They are having a little meeting upstairs this morning
it'll be about 15 minutes, shall I have him call.
Earl: Yes - 2089 (New Park Sanitorium)

11:15 A.M., March 18, 1937 Incoming on No. 648 B.M.S.

Man: Is Judge Ledgerwood there?
Hazel: Yes, but he's upstairs.
Man: Is he in Court?
Hazel: No, but I can't get hold of him right now.
Swain: Well as soon as he comes down have him call Swain
at 3420.

The following call tends to verify the fact that the meeting in question on the morning of March 18, 1937 was relative to poll tax and assessments:

11:49 A.M., March 18, 1937 Incoming on No. 2115 D.P.S.

Roscoe: Roscoe calling, spoke with Jacobs about some draft from Oklahoma, and stated he had been at a meeting at City hall where the question of poll taxes and assessments was discussed. Roscoe told Jacobs he had talked with "Tink" (Young) who said he didn't do much business last night.

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The following telephone calls disclose Mayor McLaughlin's diplomacy in attempting to gain the good will of Governor Carl Bailey:

11:50 A.M., March 18, 1937 Outgoing on No. 648 B.M.S.

Leo: 2089
Operator: Line busy.
Leo: Then try Hall again, Sec'ty State's office.
Hall: Hello Leo.

Leo: How are you. Say, we've got this Governor L-e-c-h-e from Louisiana in here, tell Carl if he has not given away his box for the day, he should offer it to him as a gesture. It is a gesture we should do. He is staying at the Arlington. Wire him and then let me know.

Hall: Thanks Leo, we certainly will.

12:02 P.M., March 18, 1937 Incoming on No. 648 B.M.S.
(Long Distance from Little Rock)

Hall: I talked to the Governor, his box is full today, but he is going to wire him and offer him the box for any day after this.

Mayor: OK, fine.

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The following conversation between W. S. Jacobs and an unidentified man indicates that Jacobs is apparently dissatisfied with McLaughlin's efforts to "fix" open gambling in Hot Springs, and that he has in mind to make other connections in this regard:

6:41 P.M., March 18, 1937, Incoming on No. 2115 D.P.S.

Man calling: How's everything?

Jacobs: Haven't heard anything.

Man: Any new "beefs"?

Jacobs: No. I talked to a fellow (Mayor?) and he told me to keep closed. I don't know whether they are giving me the run around or not. Heard I could go over there (Little Rock?) and see a fellow and get straightened out right away, but you know I got to go along with them here.

Man calling: We'll go ahead again tonight.

Jacobs: Yes, I guess that's alright. The least they can do will be to let us know ahead of time.

Man: Yeah.

With reference to the above call, the following conversation definitely indicates that Municipal Judge Verne Ledgerwood is likewise a political contact of W. S. Jacobs. The conversation is self explanatory, and as a matter of record, it is stated that Hamilton Moses is a former law partner of U. S. Senator Joe T. Robinson, and is the leading contender to replace

the late Federal Judge John E. Martineau as United States District Judge for the Eastern District of Arkansas:

11:01 A.M., March 19, 1937 Outgoing on No. 2115 D.P.S.
To 743.

Jacobs: Hello, Judge?

Judge (Ledgerwood): Yes.

Jacobs: This is Jacobs. I've got something on my chest. I figure that Bailey (Governor) is mad at Sunny (Davies) and Leo (McLaughlin). Now "Ham" (Hamilton Moses) is really Robinson's (U.S. Senator Joe T. Robinson) spokesman, and I think they are all Robinson men, don't you?

Ledgerwood: Yes, I think so.

Jacobs: They don't like Leo (McLaughlin), but Moses will do anything for Sunny (Davies). I figure to send Sunny over there and talk with Moses and get things straightened. Don't say anything to Leo about this, but he goes over but its not so good.

Ledgerwood: I've got some irons in the fire today and tomorrow. Then we'll work on it.

Jacobs: We ought to send Sunny over there and keep Leo away from there. He keeps going over there and they don't like him. Now my doctor, Dr. Smith, told me he is a friend of Moses and offered his assistance, but nothing was done. Get Sunny to go over there and see Moses and get in touch with Bailey and the rest, and he can set Leo in. You know I believe that "Hardin" and "Beavers" are trying to muscle in over here.

Ledgerwood: I think there's something in what you say and we may be able to work it.

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The following call indicates the large volume of cash handled by W. S. Jacobs' gambling operations and also that the gambling syndicate is anxious to learn whether they will be unofficially permitted to resume open gambling in Hot Springs in the near future:

2:00 P.M., March 19, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.

Otha Phillips: Do you know anything?

Jacobs: Not a thing.

Otho Phillips:

I came by there last night, and everything was quiet.

Jacobs:

I may find out something later.

Otho Phillips:

All right, I'll call you.

2:15 P.M., March 19, 1937

Incoming on No. 2115

J.L.M.

Jacobs:

Hello.

Roscoe:

This is Roscoe. How are you feeling?

Jacobs:

Pretty good - much improved today.

Roscoe:

Dooley's here - he's got a \$4200 cashier's check on a Kansas City bank that he wants cashed - is it alright?

Jacobs:

He's all right, isn't he?

Roscoe:

Yes.

Jacobs:

He never gave us anything bad, did he?

Roscoe:

No.

Jacobs:

Well, I'd like to accommodate him - if we lose it - it can't be helped.

Roscoe:

I think he is O.K.

Jacobs:

All rightie, give it to him.

2:16 P.M., March 19, 1937

Incoming on No. 2115

J.L.M.

Jacobs:

Hello.

Tink:

This is Tink - what's new?

Jacobs:

Nothing - they took you for a cleaning last night, I heard.

Tink:

Yeah, but it was good advertising; that'll bring more in today.

Jacobs:

Yeah, that's true.

Tink:

Haven't heard anything, have you?

Jacobs:

No, Bill (not certain) was supposed to go up there this afternoon. We won't know till this evening.

Tink:

I hope he does some good.

Jacobs:

Yeah, so do I.

Tink:

I'll call you later.

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The following conversations definitely reveal that C. E. Palmer is "go-between" for Mayor McLaughlin, et al, and someone high in State politics (possibly Governor Bailey) in the matter of "fixing" the return of open gambling in Hot Springs. Previous telephone conversations overheard disclosed that Palmer is publisher of the Hot Springs newspapers and that he is also operating a newspaper in Texarkana, Arkansas, and that for many years previous was a resident of Hot Springs:

3:47 P.M., March 19, 1937 Incoming on No. 648 B.M.S.

Operator 12 at Little Rock trying to locate Mayor, Mr. Palmer calling.

3:50 P.M., March 19, 1937 Outgoing on No. 648 B.M.S.

Hazel called Ed Farris of the racing commission, to send Anderson or someone up to the Mayors box and tell him to get in touch with his office at once.

4:05 P.M., March 19, 1937 Outgoing on No. 648 B.M.S.

Hazel: 912
Man: Racing commission office, Reed talking.
Hazel: Please get word to the Mayor to call his office immediately, it is urgent.
Reed: I certainly will.

4:07 P.M., March 19, 1937 Incoming on No. 648 B.M.S.

Mayor: You call me?
Hazel: Yes. I've been trying to get you. Mr. Palmer is trying to get in touch with you and I knew you were anxious to hear from him.
Mayor: Well, suppose you call Little Rock back and tell them to put that call through to 807, that's the race track number. I'll go in there right now.
Hazel: All rightie.

4:15 P.M., March 19, 1937 Outgoing on No. 2115 J.L.M.

Jacobs: 1065
Woman: Southern.

Jacobs: Is Cap. Smith there?
 Woman: Yes, he's outside.
 Jacobs: Is Otis McGraw there?
 Woman: No - just a minute, I'll call for Cap Smith.
 Smith: Hello.
 Jacobs: It's all right to open upstairs tonight, but keep it quiet. We're also going to open at the Belvedere. Get a hold of the crews for both places - you know who they are, and get them out there. Where's Otis?
 Smith: He's at the track. They just stuck up the place upstairs.
 Jacobs: Do you know who did it?
 Smith: No. I didn't see them.
 Jacobs: How much did they get?
 Smith: I don't know - around \$2000. I think. I know they got everything we had in the box.
 Jacobs: Was there a crowd up there at the time?
 Smith: I don't know - get in touch with Roscoe - he knows all about it.

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At 4:15 P.M. on March 19, 1937 five masked and armed robbers held up the Southern Club and escaped with \$8,100.00. Those robbed were Thomas Abdo, \$500.00, Spike Dooley \$3,000.00, Brass McDonald \$700.00, Sam Nathan \$500.00, and a man named Murphy, \$900.00. All of these men were reported to be bookmakers from Chicago. In addition to the above the robbers secured \$2,500.00 belonging to the Southern Club or Grill. Inasmuch as the Southern Club, as well as other bookmaking places in Hot Springs was supposed to be closed on orders by the Governor, on March 15, 1937, Mayor Leo P. McLaughlin suggested to Jacobs to instruct all of his employees that they should not discuss the holdup with anyone, particularly the amount of money that was actually taken in the robbery. In other words, the Mayor wanted to conceal the fact that the Southern Club was operating a bookmaking game in violation of the Governor's orders. The following conversations clearly illustrate this point. These conversations also disclose the rapid preparation for the opening of both the Southern and Belvedere Clubs, as the Mayor gave Jacobs unofficial authority to re-open these places:

4:14 P.M., March 19, 1937 Outgoing on No. 2115 J.L.M.

Jacobs called 1283, and agent overheard some man call 446 (Police Dept.) from 1283 - he told operator the call was urgent. As a result of this call being completed, Jacobs got the busy signal.

4:15 P.M., March 19, 1937 Outgoing on No. 2115 J.L.M.

Jacobs: 1065
Woman: Southern.
Jacobs: Is Cap. Smith there?
Woman: Yes, he's outside.
Jacobs: Is Otis McGraw there?
Woman: No - just a minute, I'll call for Cap Smith.
Smith: Hello.
Jacobs: It's all right to open upstairs tonight, but keep it quiet. We're also going to open at the Belvedere. Get a hold of the crews for both places - you know who they are, and get them out there. Where's Otis?
Smith: He's at the track. They just stuck up the place upstairs.
Jacobs: Do you know who did it?
Smith: No. I didn't see them.
Jacobs: How much did they get?
Smith: I don't know - around \$2000. I think. I know they got everything we had in the box.
Jacobs: Was there a crowd up there at the time?
Smith: I don't know - get in touch with Roscoe - he knows all about it.

4:18 P.M., March 19, 1937 Outgoing on No. 2115 J.L.M.

Jacobs: 1283 (Unlisted phone of Southern Club)
Frankie: Hello.
Jacobs: Is Roscoe there?
Frankie: No, not just now.
Jacobs: Who is this?
Frankie: Frankie.
Jacobs: What happened up there?
Frankie: Five holdup men stuck us up - they got Roscoe's box. I don't think there was much in there - we already had taken the money to the bank twice. I think they got around \$2,000.
Jacobs: Well, we're going to close up taking horse bets - we'll open the poker upstairs and out in the country tonight.
Frankie: That's fine.
Jacobs: Don't take anymore bets around there.
Frankie: All right.

4:25 P.M., March 19, 1937 Outgoing on No. 2115 J.L.M.

Jacobs: 1065
Woman: Southern.
Jacobs: Is Roscoe or Cap Smith there?
Woman: Roscoe is upstairs - I'll call Smitty.
Smith: Hello.
Jacobs: Don't tell anybody what happened. It might hurt us.
Smith: Everyone knows about it already - Swede Watkins is
 here now. Frankie called him.
Jacobs: Don't say anything to anybody - you don't know how
 much money was taken, if anybody should ask you.
Smith: O.K.
Jacobs: I've been trying to get the Ohio, but they don't
 answer over there.

4:32 P.M., March 19, 1937 Outgoing on No. 2115 J.L.M.

Jacobs: 1283
Roscoe: Hello.
Jacobs: That's touch luck you had there - don't let the fellows
 around the place talk about the holdup. We got
 orders to open up tonight, but we're not going to
 book any horses until the racing season is over -
 that's the rule in our agreement.
Roscoe: O.K.
Jacobs: How much did they get from us?
Roscoe: There was about \$2000 in the box and then they got
 \$3000 from Spike Dooley and \$1500 from Abdoe -
 they were both sitting upstairs when those men
 came in.
Jacobs: Well, don't tell anybody how much they got - just say
 you don't know anything about it.
Roscoe: All right.
Jacobs: Where's Otis?
Roscoe: He's at the track.
Jacobs: You better go out there too, and when you see Otis,
 tell him to call me. Now close up, and go out there,
 and don't talk to anybody about the holdup.
Roscoe: O.K., Mr. Jacobs.

4:38 P.M., March 19, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.
Otis: This is Otis.

Jacobs: It's all right to open tonight.
Otis: Yeah, I know. Everything is all set out in the country.
Jacobs: Get a hazard table from the Southern and take it out there.
Otis: O.K. I'm going out there now and get things in order.

4:52 P.M., March 19, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.
Brownie: Did you want me - this is Brownie.
Jacobs: Is Tink (Young) around there?
Brownie: No, he just stepped out.
Jacobs: We're going to run "poker" at the Southern and Ohio tonight. We promised them we wouldn't take any more race horse bets; that's the agreement we got with them.
Brownie: I'll get the crew together for tonight.
Jacobs: Allrightie - when you see Tink, have him call me.

4:55 P.M., March 19, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.
Mayor: What happened over at the Southern?
Jacobs: Five men stuck it up while we were talking a little while ago - they made Roscoe open up the safe and got around \$2000 from him. They also took \$3000 away from Spike Dooley and \$1500 from Abbdoo. Both of them were upstairs when the robbers stuck up the place. It looks like an inside job to me, because Roscoe cashed a \$4200 cashier's check for Dooley this afternoon.
Mayor: It's too bad this had to happen - it might put some heat on us, if the commission found out that you were sneaking some bets up there.
Jacobs: Well, it couldn't be helped.
Mayor: Get a hold of Roscoe, and tell him you didn't lose any money.
Jacobs: I already told Smitty to tell the boys not to talk about the holdup to anyone.
Mayor: Yeah, it's best to keep it quiet.
Jacobs: The police and Swede Watkins are there now. Frankie called them shortly after I talked with you.
Mayor: Well, try and keep it as quiet as you can.
Jacobs: Allrightie.

4:57 P.M., March 19, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.
Frankie: This is Frankie.
Jacobs: I just talked to "them" - don't say anything to anyone about the holdup.
Frankie: I think the newspapers already got a hold of it - a Western Union boy got caught in it. He was taking some stuff to the newspaper office.
Jacobs: You don't know who he is - do you?
Frankie: No, but I will know him, if I see him.
Jacobs: Well, we didn't lose any money, if anyone should ask you.
Frankie: Yeah, I understand. You better call the paper and tell them to keep it quiet.
Jacobs: All rightie.

4:58 P.M., March 19, 1937 Outgoing on No. 2115 J.L.M.

Jacobs called 648 (Mayor's office) and 600 (Mayor's residence) - no answer from either place.

5:05 P.M., March 19, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.
Tink Young: This is Tink.
Jacobs: They got straightened around, Tink - we're going to run tonight, but he asked me not to run any books until after the races - that is the agreement he made with them.
Tink Young: That's fine.
Jacobs: Roscoe just left here - he told me all about the trouble at the Southern.
Tink Young: Yeah, that was too bad.
Jacobs: We're going to deny it - that's what he said we should do.
Tink Young: Yeah - that's best.
Jacobs: We'll spring everything around 6:30 tonight - we promised not to do anything during the day until the racing is over.
Tink Young: I'll call you later.

5:26 P.M., March 19, 1937

Incoming on No. 2115

J.L.M.

Jacobs: Hello.
Smith: This is Smitty.
Jacobs: How are you coming?
Smith: I'll be ready in about half an hour. Who should I
put to work.
Jacobs: The same people who worked for us before - you know
who they are.
Smith: How about those people we brought in?
Jacobs: Who do you mean?
Smith: Well, there's Skippy and Asher.
Jacobs: If you can't use them - tell Otho to put them on.
Smith: Otho said he had a full crew.
Jacobs: Well, we got to pay them just the same - use them
somewhere. But I don't want you fellows running
over one another. We can't open in the day time
under this rule - we might work it out later.
Smith: I'll find something for Skippy and Asher to do -
we'll be ready to open at seven o'clock.
Jacobs: Alrightie.

5:40 P.M., March 19, 1937

Outgoing on No. 2115

J.L.M.

Jacobs: 2485
Woman: Belvedere
Jacobs: Is Otho there?
Otho: Hello.
Jacobs: You know we're going to open tonight.
Otho: Yeah. I heard about it.
Jacobs: Is Otis out there yet?
Otho: Yeah, he's here.
Jacobs: Have you got any hazard tables there?
Otho: Otis brought two of them in from town.
Jacobs: That's good.
Otho: Pretty tough luck you had in town.
Jacobs: Yeah, it looks like an inside job.
Otho: It's tough that it had to happen at this time.
Jacobs: Yeah, we're denying everything. How was it last night?
Otho: Pretty good - had 244 - the food business is picking
up. Opening up the other side tonight will help
it out a lot.
Jacobs: Yeah, that ought to help it.
Otho: Oliver from Little Rock was out last night - he made
a pretty good donation toward Bailey's campaign
you know.
Jacobs: Did he say anything?

Otho: No - nothing about opening up gambling or anything like that - just general conversation about the place.
 Jacobs: Uh huh.
 Otho: I may have to borrow your Ford tomorrow - mine's at the garage getting fixed.
 Jacobs: You can use it whenever you want - it's sitting right outside. You can use the big car if you want it.
 Otho: No, the Ford will do.
 Jacobs: Well, things look pretty good again.
 Otho: Yeah, I hope we have a crowd tonight.

5:45 P.M., March 19, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.
 Mayor: Hello.
 Jacobs: What do you know?
 Mayor: I was talking to Charlie Goslee - they want to know what happened at the Southern.
 Jacobs: There were four or five fellows in the place - all bookmakers, and five fellows stuck them up. They came down from the mountain, and got in the back way. It looks like an inside job to me.
 Mayor: How much did they get?
 Jacobs: They got around \$1500 from Roscoe - the money was in the safe, and they made him open it - then they got \$3500 from Spike Dooley. He had a \$4200 cashier's check cashed this afternoon.
 Mayor: It looks like they knew about that money and were after it.
 Jacobs: Uh huh.
 Mayor: Who is he?
 Jacobs: He's a bookmaker - there were five of them upstairs.
 Mayor: Who were the others?
 Jacobs: Sam Nathan, Thomas Abbdo, and a fellow named Murphy. They were all put off the track and hung around the club after that.
 Mayor: How much was taken from those fellows?
 Jacobs: I don't know - get a hold of Roscoe, he knows all about it.
 Mayor: I'm at 3700 - have him call me there.
 Jacobs: Alrightie.

5:50 P.M., March 19, 1937 Outgoing on No. 2115 J.L.M.

Jacobs: 1468
Man: Hello.
Jacobs: Is Frankie there?
Man: No, he went to the Southern.

5:50 P.M., March 19, 1937 Outgoing on No. 2115 J.L.M.

Jacobs: 1283.
Frankie: Hello.
Jacobs: Who all got stuck up over there?
Frankie: There were around 12 or 15 in the place.
Jacobs: Figure out the names of five or six men only, and then
 call 3700 and ask for the Mayor. Give him the dope
 on it.
Frankie: Alright.

5:55 P.M., March 19, 1937: Incoming on No. 2115 J.L.M.

Jacobs: Hello.
Akers: This is Dutch. I'm doing everything I can Jake. It
 looks like some inside help - they knew just
 where the money was.
Jacobs: Yeah, I know.
Akers: I heard that two birds just checked out of the
 Kingsway - I'm checking on that now, and will
 call Little Rock.
Jacobs: UH huh.
Akers: The papers have been after me for a statement -
 what shall I tell them?
Jacobs: Leo is at the newspaper office now, giving them a
 story. I had Frankie give Leo the dope on it.
Akers: How much did they get from Roscoe?
Jacobs: Around \$1500 to \$2000.
Akers: Is that all - I thought he had a lot of money on hand,
 figuring you were going to open tonight.
Jacobs: No, that's all they got, but we're denying it.
Akers: I'll call you later, or drop up.

6:30 P.M., March 19, 1937

Incoming on No. 2115

J.L.M.

Jacobs:

Hello.

Mayor:

Goslee was very much peeved at Roscoe, because he wouldn't tell him anything. I got it all straightened now, and everything is all right.

Jacobs:

That's good.

Mayor:

The point I was trying to get over was that the holdup was not individual, but that they were after the money those bookmakers had on them. After I talked with Frankie I gave them a story that won't hurt us. They're all pleased now. The paper is going to say that it was a bunch of bookmakers that were held up and that the money in the safe belonged to the Southern Grill.

Jacobs:

Yeah, I told everybody to deny everything.

Mayor:

What have you been doing since I talked with you?

Jacobs:

Getting the fellows set to open all three places tonight at 7:00 P.M., I've been trying to get hold of the police to check the house at 138 Cedar St.

Mayor:

Did you call Dutch?

Jacobs:

Yes, but he wasn't in - they couldn't hear over there.

Mayor:

I'm going to have those fellows down tomorrow - you must tell those boys not to do anything about those books.

Jacobs:

All right, they won't do anything.

7:41 P.M., March 19, 1937

Outgoing on No. 2115

B.M.S.

Jacobs:

2484.

Otho:

Hello.

Jacobs:

How are you getting along?

Otho:

We are getting things straightened up, we've got two wheels, three dice tables, two blackjack tables, one 21, three craps, one hazard. All we need now is a good crew for tomorrow night.

Jacobs:

Skippy and Asher are both at the other place.

Otho:

Well, I'll see you later.

8:14 P.M., March 19, 1937

Outgoing on No. 2115

B.M.S.

Jacobs:

2791.

Roscoe:

Hello.

Jacobs: How is it? All right?
 Roscoe: All three wheels up, good dice game going, good crew,
 all we need is business and to win.
 Jacobs: Did they get hold of that fellow in St. Louis?
 Roscoe: They will before long. Young Terry's up here
 playing, he's 300 in the game so far.
 Jacobs: Good. I'll see you.

8:20 P.M., March 19, 1937 Incoming on No. 2115 B.M.S.

Dutch: You call me?
 Jacobs: Yes, have you been over to the Esso place yet?
 Dutch: Yeah, nothing to that, that was a Chrysler. Swede
 saw the guys, they were Italians, wops; he chased
 them around the mountain, thru south Hot Springs,
 and out to the Lake before he lost them. We have
 a report now from Amity that they are hung up on a
 country road, the State Rangers are rushing over there
 now. They were seen this morning talking to those
 smart-alek uppity niggers from New York on Malvern
 Avenue. We're checking on that. You know its
 funny that Gully, who wears about a ten carat ring,
 had just walked out of the Club not more than five
 minutes, when they rushed in. The first thing they
 asked was, where was the guy with the big ring.
 It looks like whoever left just ahead of Gully
 gave the tip.
 Jacobs: Looks funny, don't it?
 Dutch: By the way I've got a awful good guard if you need him
 in the country. I heard Bob Moore was looking around.
 You find out and call me back.
 Jacobs: All right.

8:47 P.M., March 19, 1937 Outgoing on No. 2115 B.M.S.

Jacobs: 2791.
 Man: Hello.
 Jacobs: Bob Moore there?
 Jacobs: Was you trying to get a heavy man down there?
 Moore: Yes sir.
 Jacobs: Call Dutch, he's got a man.
 Moore: I know who he's got, it's a little ex-prize fighter.
 I don't trust him, 'fraid he'll get drunk.
 Jacobs: Call him anyhow, might not be the same one.
 Moore: All right.

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There has been some talk at Hot Springs, that within the next few days a swank casino will be opened upstairs of the Ozark Cafe at 724 Central Avenue. Telephone conversations relative to this place indicate that Herb Wheatley, Red Powers and Harry Bledsoe will operate this place, with the financial assistance of W. S. Jacobs. The following conversation undoubtedly pertains to this gambling place, and it is particularly interesting to note that Jacobs suggested to Wheatley that he see Mayor McLaughlin relative to opening this casino on the following day, (March 20, 1937):

8:05 P.M., March 19, 1937 Incoming on No. 2115

B.M.S.

Jacobs: Hello.
Wheatley: Herb Wheatley, Mr. Jacobs, how you feel?
Jacobs: All right. We've got everything fixed up. We won't book no horses here till after the races. I think if you will go over to see him (Mayor) you can get it all fixed up to start tomorrow night, even if you are not ready.
Wheatley: Yeah, I'll do that. One of my men though, you know Walter, got drunk on me yesterday.
Jacobs: How's the place looking?
Wheatley: Swell, everybody that sees it says it'll be the best looking room in Hot Springs. I've got to get some money from you tomorrow to pay off with.
Jacobs: All right bring a blank check with you.
Wheatley: How are things looking in general?
Jacobs: Fine, better than they ever have.
Wheatley: Too bad about that stick up.
Jacobs: (Laughs) Yeah, I think it was an inside job, though. Somebody left the door open for them.
Wheatley: How much did they get.
Jacobs: We only lost 2000, they made Roscoe open up the safe and got 1500 from there and 500 out of Roscoe's pocket that Simonds had just given him. They hit the bookies heavy - 500 off Sam Nathan; 1500 off Abdo; 3500 from Spike.
Wheatley: Well, I'll see you at noon tomorrow.
Jacobs: All rightie.

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The following conversation indicates that a new prostitute named Helen Blake is working at the Hatterie Hotel for Grace Goldstein:

9:45 A.M., March 19, 1937 Outgoing on No. 123 W.T.M.

3421 (Hatterie Hotel)
 Man: Let me speak to Helen - that new girl.
 Woman: I can't wake her.
 Man: What?
 Woman: She's asleep now - I can't wake her.
 Man: Listen you - - - you know who this is? This is her old man and he is in jail - get her up!
 (Woman goes to get Helen up)
 Helen: Hello.
 Man: Hello! This is Blake - down here in jail - just stuck me 75.
 Helen: Well you knew that didn't you? - when you got drunk and driving an automobile.
 Blake: OK! OK! Good bye!.

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The following conversation shows the close association of Herbert "Dutch" Akers with Grace Goldstein. One Ned Stewart is Prosecuting Attorney at Texarkana, Arkansas, and one Dexter Bush is Judge of the Circuit Court at Texarkana, Arkansas.

8:23 P.M., March 19, 1937 Incoming on No. 123 H.A.S.

Ned Stewart: Advised Dutch that he and Judge Bush were "in town" at Room 310 Como Hotel - not to come over if he got a complaint from the Como (jokingly). Asked if it was OK for them to visit the place "just past the Arlington" (Hatterie Hotel) for a "good time".
 Akers: It's OK there. Tell her that you are a friend of mine. Hope I see you tomorrow.

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The following conversation speaks for itself:

8:28 P.M., March 19, 1937 Outgoing on No. 123 H.A.S.

Akers: Called 2484 (Belvedere Club)
 Otis McGraw: Hello.

Akers: Otis, Sam Watt told me that you said you saw some fellows at the track who you knew were "pretty hot". Would they have had anything to do with the Southern job?

McGraw: I don't know. Saw them at the track - know they are "hot" but don't know their names. I've been there around several places in the past.

Akers: Are they from Little Rock?

McGraw: Oh, no. They're from "up the country".

Akers: See if "Mickey" out there recognized any of them. He was up there. Had a green suit on.

McGraw: All right, I'll find out.

Akers: Do you need another guard out there tonight? I spoke to Mr. Jacobs about it.

McGraw: Yes. Who is he?

Akers: Name is Houston. I'll send him out.

McGraw: OK.

In referring to the above conversation, and from the following call it appears that Dutch Akers might be getting some commission for arranging employment for one Houston at the Belvedere Club:

8:40 P.M., March 19, 1937 Incoming on No. 123 H.A.S.

Akers: Insturcted an officer to go over to the wrestling match, get Houston, and tell him to work until noon tomorrow, when he, (Akers) would settle with him. For him to start work tomorrow night out at the Belvedere.

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The following call is self-explanatory:

9:00 A.M., March 20, 1937 Incoming on No. 648 R.H.L.

W. E. Chester called for Mr. Grady Manning.

Chester: We have Governor Chandler's party and Harry Hopkins coming in Monday and would like to get a uniformed policeman stationed at the entrance. Of course we will pay for it.

Manning: OK. I'll see Dutch Akers about it and make arrangements.

Chester: That business at the Southern Club has got me worried.

Manning: Well, I think we have a pretty good line on who did it. Certain people know who it was but won't talk. Evidently the thieves were from Chicago and the only difference here was that they wore masks. Well, I'll see Dutch about a man. You know that it will take two men to cover this though.

Chester:

Yes two men is right. We'll pay for them.

NOTE: W. E. Chester is manager of the Arlington Hotel.

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The following related conversations further sustain the fact that C. E. Palmer, publisher of Hot Springs newspapers, is "go-between" for the gambling syndicate and Governor Carl E. Bailey in the matter of the syndicate's efforts to re-open gambling in Hot Springs:

10:45 A.M., March 20, 1937 Incoming on No. 648 RHL

C. E. Palmer calling the Mayor. Was told that he was out and requested that the Mayor call him later at his office.

10:47 A.M., March 20, 1937 Outgoing on No. 648 R.H.L.
3800 (Ark. National Bank)

Hazel: Hazel calling Leo about C. E. Palmer's call. Leo said he would drop by Palmer's office later.

12:04 P.M., March 20, 1937 Outgoing on No. 648 R.H.L.
2115 (W. S. Jacobs)

Mayor: I just called to tell you that the man that went over yonder for us did alright. In fact it was very satisfactory. However, I am glad I told you what I did a while ago.

Jacobs: That man (Herb Wheatley) just left and I told him what you said.

Mayor: That's all right. I'll tell you more about it when I am closer to you. See you later.

6:55 P.M., March 20, 1937 Incoming on No. 2115 D.P.S.

Mayor: Hello, just got in from the track. Biggest crowd we ever had out there and more money bet than any other day, about \$160,000.00.

Jacobs: \$150,000 eh, I figured it would be \$200,000.

Mayor: There were eight races today. I was just sitting here and watching the cars go by. There ought to be a big crowd out there (Belvedere) tonight.

Jacobs:
Mayor:

I don't know yet.
I had a long talk with Palmer (C. E. Palmer) today and he said he had a long talk with "The Man" (Mayor here talked in a whisper and agent was unable to understand what he was saying. He continued-) Afterwards I talked with the man, who gave us the word last week, you know, "The Chief". He said he wondered that they (probably the persons who robbed the Southern Club) didn't take that place (Belvedere?) on the way out of town. I just left him. He was on his way back to Little Rock.

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The following call apparently relates to the above last quoted conversation, and undoubtedly refers to the new gambling casino which Wheatley is to open in the next few days:

10:45 A.M., March 20, 1937 Incoming on No. 2115 B.M.S.

Mayor:

I've been thinking it over after talking to Herb (Wheatley) this morning. I don't think Herb ought to spring there tonight. It would focus things on it (gambling) too much and might blast everything. You've got the Ohio, Southern and Belvedere, so just wait 'till you open the books up before springing it. (Ozark Club)

Jacobs:

I think you're right. I'll tell Herb.

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The following two conversations seem to indicate some connivance on the part of Mayor Leo P. McLaughlin in connection with poll taxes and assessments. The true background of these calls is not known:

12:17 P.M., March 20, 1937 Outgoing on No. 648 R.H.L.

764 (Millsaps Sporting Results)

Mayor:

Is Bud there?

Mayor:

Hello Bud, did the boys tell you about me being down there this morning?

Bud:

Yes, they told me, and listen Leo, there is an awful beef being raised about the fellows that moved in on Down (?) St. yesterday. We've only got two weeks to wait Leo and if I were you I wouldn't do it. It will only get you locked up.

Mayor:

O.K. kid.

12:20 P.M., March 20, 1937 Outgoing on No. 548 R.H.L.
 471 (Hot Springs City Health Dept.)
 Mayor: Hello Davis (?) Look on the cover of that book and
 tell me what it says.
 Davis: It says, "Official Poll Tax List for 1933"
 Mayor: That is the wrong list and is going to get us in bad.
 I'll be over to see you later.

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The following conversation discloses the extent of the extent
 of the dining room business at the Southern Club:

9:05 A.M., March 20, 1937 Outgoing on No. 2115 B.M.S.
 Jacobs: Called Roscoe - 1065
 Jacobs: How's yesterday's business?
 Roscoe: 790.
 Jacobs: What time did they close upstairs this morning?
 Roscoe: Closed at 6:30 this morning, 600 ahead.
 Jacobs: Good.

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The following conversation indicates that W. S. Jacobs is very
 anxious to have the new gambling equipment he ordered from Detroit to be
 delivered to his gambling casinos in Hot Springs:

11:05 A.M., March 20, 1937 Outgoing on No. 2115 B.M.S.
 Jacobs called Detroit, Cadillac 5974, and discussed the shipment of two
 Hazard tables with the man who answered the phone, he then added: "We
 want those by Tuesday, you know how it is in a resort town, the crowds
 are here now, we're open and gonna stay open, but things will slow down
 after April 1st.

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The following two conversations are of interest and are self
 explanatory. It might be stated that John Morris operates the Morris Insurance
 Agency and is W. S. Jacobs' auditor:

1:30 A.M., March 20, 1937 Incoming on No. 2115 J.L.M.
 L. D. Operator: Are you Mr. Jacobs?
 Jacobs: Yes ma'am - this is Jacobs.

L. D. Operator: Just a minute - Houston calling you.
 Lee Brown: Hello Jake - how are you feeling? This is Lee Brown.
 Jacobs: Oh, pretty good.
 Lee Brown: I heard you got everything open tonight?
 Jacobs: Yeah, but I don't know how long it will last.
 Lee Brown: I got two or three crap games running here, and I'm about \$300 in arrears. I'm nothing loser, but just a little short. I wonder if you can send me down \$2500. in the morning. If you say you will I can barrow it down here, and pay off when I get your check.
 Jacobs: O.K., I'll send it to you in the morning.
 Lee Brown: As I said before - I'm not any loser - just a little short.
 Jacobs: O.K. I'll send it.
 Lee Brown: Send it to me at the McTeague Hotel (not certain).
 Jacobs: Allrightie, Lee.
 Lee Brown: Thanks a lot, Jake.

11:22 A.M., March 20, 1937 Outgoing on No. 2115 B.M.S.

Jacobs called Jahnnny Morris at Morris Insurance Agency.
 Morris: Hello.
 Jacobs: I've got to send Lee Brown a check, so come up here when you can.
 Morris: I'll be right up. Say how much did they get yesterday?
 Jacobs: Nobody'll ever know. They got \$3500 from us. ? (could not catch name) had been out hustling around a little on the streets getting some business, he had just walked upstairs, they got eleven hundred off him. A bunch of the rich bookies were hiding upstairs, you know the bookmakers had been run off the street and had just been sitting around when they came in.
 Morris: Well, I'll see you after while.

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The following conversation further indicates that his desire to make money causes W. S. Jacobs to break his promise to the Mayor to restrain from booking horses until after the racing meet in Hot Springs:

12:25 P.M., March 20, 1937 Incoming on No. 2115 B.M.S.

Jacobs: Hello.
 Roscoe: Well how'd things go last night?

Jacobs: Made 600 at Southern, lost at Ohio.
 Roscoe: Tom Ray's in town; wants to bet.
 Jacobs: We can't take it.
 Roscoe: Well just wanted to know. Tom's a good bet you know.
 Jacobs: I know, but we've promised positive, of course now, if
 we had somebody outside of our regular men we
 might be able to ease it around a little. He bets
 so much it's kinda hard to let go by.
 Roscoe: O.K. I think we'll be able to wiggle it around.
 Might.

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The following call was probably made by Jacobs to frighten employees at telephone 1468, which is a racing wire service room maintained by Jacobs for booking horses, so as they would not book horses on the "sly". No call was received by Jacobs to the effect that police complained about betting at this place:

3:32 P.M., March 20, 1937 Outgoing on No. 2115 J.L.M.

Jacobs: 1468 (Unlisted)
 Man: Hello.
 Jacobs: This is Jacobs - the police just called and said they
 were booking up there. There's no one up there,
 is there?
 Man: No.
 Jacobs: Are there any bookmakers there?
 Man: No one, but our crowd.
 Jacobs: Anybody else?
 Man: Sam Nathan is sitting around.
 Jacobs: Is Roscoe at the track?
 Man: Yeah.
 Jacobs: They're going to raid the place - they just called me
 from the station. There's no one up there, is there?
 Man: Only two or three of us and Sam Nathan.
 Jacobs: Lock all the doors, and don't let anybody else in.
 Man: All right - there's no one at the Southern.
 Jacobs: I know - lock that door up there and keep everybody
 out. Don't let anybody book any kind of races.

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The conversation below is self explanatory:

7:42 P.M., March 20, 1937 Incoming on No. 2115 B.M.S.

Jacobs: I want you to shut that door and keep it shut,
be sure about that. I told Smitty.
Man: Yes sir.

The man in above conversation sounded like Roscoe
Johnson, Manager of the Southern Club.

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The following calls pertain to the activities of the Arkansas
Democrat, a Little Rock newspaper, in an effort to ascertain whether open
gambling was in operation on the night of March 20, 1937:

8:35 P.M., March 20, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.
Tink: This is Tink - the Democrat is calling all places
and asking whether they are open. They called the
Belvedere and our place. I told them we were shut up.
Jacobs: Yeah, if anybody is open they're sneaking.
Tink: I just told them cold turkey we weren't open.
Jacobs: Alrightie.

8:36 P.M., March 20, 1937 Outgoing on No. 2115 J.L.M.

Jacobs: 2484.
Man: Belvedere.
Jacobs: Is Mr. McGraw there?
McGraw: Hello.
Jacobs: Tink just called and said the Democrat has been calling
and asking whether they were open. Have they
called you yet?
McGraw: No - they called Otho. He wouldn't give them any
satisfaction. Said we were open for dining and
dancing only.
Jacobs: Tink told them the same thing.
McGraw: I'll tell them the same when they call me.
Jacobs: Alrightie.

9:20 P.M., March 20, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.
Smitty: How are you feeling?

Jacobs: Pretty good.
 Smitty: We got a pretty good crowd here (Southern) a good
 dice game, a good poker game, and good wheel,
 and part of another wheel.
 Jacobs: That's good - did Terry go?
 Smitty: Yes.
 Jacobs: Anybody tend to what he owes?
 Smitty: Yeah, Archie tried to get a check from him.
 Jacobs: How much does he owe?
 Smitty: \$500.
 Jacobs: He'll pay it - who is playing there?
 Smitty: Harris and a couple three boys from Cleveland are
 playing the bank. Jimmy Hazard and his wife
 are playing the wheel.
 Jacobs: Did the Democrat call there?
 Smitty: Not that I know of.
 Jacobs: They called the Belvedere and Ohio, and they told
 them they weren't open.
 Smitty: That's what I would tell them, if they call me.
 Jacobs: Yeah.
 Smitty: I'll call you later.

9:40 P.M., March 20, 1937: Incoming on No. 2115 J.L.M.

Jacobs: Hello.
 Mayor: Lot of people downtown.
 Jacobs: Yeah - the Democrat's been calling around town asking
 whether we're open. Tink said absolutely no, and
 Otho told them we were open for dancing and dining
 only. They probably called downstairs at the
 Southern too. I wonder what they're going to
 print tomorrow.
 Mayor: It don't make any difference.
 Jacobs: I see where Brewer beat out Denby by 13 votes in the
 school election.
 Mayor: Yeah, that's about extent of their backing.
 Jacobs: So there's a big crowd up town.
 Mayor: Yeah, what there is doing - that's what the people
 want to do.
 Jacobs: There isn't much doing at the Southern and Belvedere
 yet - it's too early; the people haven't started
 going out yet.
 Mayor: I'll call you later on.

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It is interesting to note with reference to the following conversation, that Dewell Jackson and Dr. Howell Brewer are the two candidates that were endorsed by Mayor Leo P. McLaughlin in the election for two members of the school board at Hot Springs:

9:25 P.M., March 20, 1937 Outgoing on No. 2115 J.L.M.

Jacobs called 3700 (Sentinel-Record) and inquired about the school election returns - he was informed: Jackson 1091 - Brewer 650 - Denby - 637.

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The following calls pertain to the operation of a bookmaking game at the Ohio Club on Sunday, March 21, 1937, inasmuch as the local track was not open on that date. These calls are self-evident of the Mayor's friendship with W. S. Jacobs, and his unofficial alliance with Jacobs' gambling interests in Hot Springs:

10:20 P.M., March 20, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.
Tink: This is Tink - what do you think of opening up tomorrow during the day?
Jacobs: I think it would be all right.
Tink: Tom Ray is around here, and nothing is open tomorrow.
Jacobs: I was thinking today - keep that door locked and take Tom up there. Let him sit around and book him. You could give him something to drink - you wouldn't need a whole crew up there.
Tink: Only one or two men can take care of him.
Jacobs: Yeah, leave him in the room and don't let anybody else in.
Tink: There'll be no racing tomorrow. I think it'll be all right. You think it over, and I'll call you tomorrow.
Jacobs: Alrightie.

10:31 P.M., March 20, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.
Mayor: I'm at home - after I talked with you I went by the newspaper office. It's nothing at all.
Jacobs: I didn't think so.

Mayor: Those people are friendly anyhow. I think they wanted to make sure that the "old lady" wasn't going to put something over on them.

Jacobs: Yeah, I guess that's it.

Mayor: Lots of cars downtown tonight.

Jacobs: Yeah, lots of people in town. I wonder if it's OK to open tomorrow afternoon.

Mayor: It won't make any difference.

Jacobs: We'll open over the Ohio. Tom Ray and a few private citizens want to book them.

Mayor: I think it'll be all right - there's no racing tomorrow - that's all they are concerned about.

Jacobs: Did you find out what the take was out there today?

Mayor: No, I didn't - I'll call right now and call you back.

10:36 P.M., March 20, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.

Mayor: It was \$171,000 today.

Jacobs: That's an all-time high, isn't it?

Mayor: Yeah, the newspapers just told me. They had a big day today.

Have they done any checking in the country yet - has anybody come in to look around?

Jacobs: No, I don't think so - they haven't said anything.

Mayor: I don't think they'll be around there. I've got to go downstairs, I'll call you later.

Jacobs: Allrightie.

10:50 P.M., March 20, 1937 Outgoing on No. 2115 J.L.M.

Jacobs: 210 (Ohio Club)

Man: Ohio.

Jacobs: Mr. Young there?

Young: Hello.

Jacobs: I was talking to "that fellow" (Mayor) about tomorrow, and he said it was all right. He said that the only thing they agreed to do was not to interfere with the races. Well, they won't be running tomorrow.

Young: Allrightie.

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The following conversation gives some idea of the volume of open gambling at the Southern and Belvedere Clubs:

11:00 P.M., March 20, 1937 Outgoing on No. 2115 J.L.M.

Jacobs: 2484.
 Man: Belvedere.
 Jacobs: How's the crowd?
 Man: We got a good crowd, Mr. Jacobs.
 Jacobs: Got the three dice games open?
 Man: Yes, they are all full.
 Jacobs: That's good.

11:10 P.M., March 20, 1937 Incoming on No. 2115 J.L.M.

Jacobs: Hello.
 Smitty: Got a house full of people here.
 Jacobs: They got a full house at the Belvedere and Ohio Club too. How's the bank doing?
 Smitty: It might be a little winner. We got two wheels running - every game has got a play.
 Jacobs: That's good.
 Smitty: The black jack table just took some guy for \$300 or \$400.
 Jacobs: That's fine.
 Smitty: I hope we make some money tonight - we sure need it.
 Jacobs: Can't make much - they're playing only small money out in the country - only \$10 and \$20 bets.
 Smitty: The wheels here are getting a lot of play.
 Jacobs: Yeah, it's all small though.
 Smitty: I don't know, the wheels may be a little winner.
 Jacobs: Has Pat showed up around there yet?
 Smitty: Yeah.
 Jacobs: Tell him to stay there until Pete shows up there tomorrow, and don't let Pete go dinner without somebody taking his place. I don't want to leave that place alone.
 Smitty: I'll be down and relieve him while he's out dinner.

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The following conversation indicates the close connection between Dutch Akers and Marshall Purvis, Attorney, who has in the past furnished this division with valuable information:

10: 10:45 A.M., March 20, 1937 Outgoing on No. 445 W.T.M.

870 (Purvis & Purvis, Attorneys)
Akers asked for Marshall Purvis and secretary told him Purvis would be away a few minutes. Akers told her he was sending Purvis a client up and for Purvis to "treat him right."

1:00 P.M., March 20, 1937 Incoming on No. 123 W.T.M.

Marshal Purvis called Akers, telling him "that party" (a client sent to Purvis by Akers) came to see him but he (Purvis) had to go to Texas and would be away until March 28th. Arrangements were made with Akers to get the client to wait until Purvis' return. The client wants to file suit against the Bus Company.

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The following conversation reveals the close association of Herbert "Dutch" Akers with Mr. Shepard of the Southwestern Bell Telephone Company. Mr. Shepard is District Manager at Hot Springs. It also discloses that Akers owns or has an interest in Highland Park Inn, a beer joint in Hot Springs:

11:43 A.M., March 20, 1937 Outgoing on No. 123 W.T.M.

Akers called Mr. Shepherd of the Telephone Co., and in a friendly manner argued with Shepherd about the telephone which has been disconnected at Highland Park Inn for non-payment of charges by the previous owner. Akers now owns or has an interest in the Highland Park Inn. The conversation ended as follows:

Akers: Oh, say, you heard anything?
Shepherd: No, I haven't.
Akers: Well, keep your ears open for me on that.
Shepherd: I'll do it. Have you heard anything I would be interested in?
Akers: No. I'll listen out.

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The following conversation indicates that former Chief of Police Joe Wakelin and Grace Goldstein are still on intimate relations:

1:22 P.M., March 20, 1937

Incoming on No. 445

W.T.M.

Former Chief of Police Wakelin called Akers:

Akers: I wish you would do some more checking for me.

Wakelin: Check what?

Akers: Work on some of your informants - can't you?

You know them b----rs must have come back in here last night. They found the books and checks in that mail box on Central at Blakes Jewelry Store this morning. They must have put it in there after six o'clock last night. You know they rob (postman collects) those mail boxes at six for the last time. They may be in here now.

Wakelin: Well I got something - you know who it is coming from - you got to keep her out of it though. Now, don't mention her name with it --

Akers: Who, Grace?

Wakelin: Yes. She told me about this Joe Panana and his mob. They were up to her place night before last doing a lot of popping off - they popped off about this Karpis business and the jobs they had pulled. She says they are a tough bunch of babies. I'd check up on that.

Akers: Well, can't you get more about them? - where they are from and where they stay - what cars do they have? I'm checking at the Southern.

Wakelin: I will - Grace is finding out for me - but you got to be careful, now, to keep her out of it. (Pause) Say, you remember them two girls that was doing all that stuff in them hotels last year?

Akers: Naw, what girls?

Wakelin: You know them girls that was doing all that rolling in them hotels.

Akers: What are their names?

Wakelin: One of 'em's names is Pat and the other's is Paula or something. They are staying at the Eddie Hotel now. Grace told me.

Akers: Well can't you get somebody to finger them to me?

Wakelin: Yes. Grace is working on it - but it will take a day or two. I'll call you.

The Chicago Field Division is being requested by letter to discreetly ascertain the identity of Joe Panana (phonetic), and his connections in Chicago, etc.

The following calls apparently refer to the two girls mentioned by former Chief Wakelin in his above conversation with Dutch Akers. It should be noted that these two girls, who appear to be prostitutes, appealed to members of the Hot Springs Police Department for protection:

3:55 A.M., March 20, 1937 Outgoing on No. 446 H.A.S.

"Pat": Called 1402 (Cecil Brock)
Advised Brock that she and her girlfriend were arrested in a cafe for "loitering". Requested that he "stand for her" because they didn't have any money.
Brock: Advised Rogers that he would "stand for" the girls.

6:10 P.M., March 20, 1937 Incoming on No. 123 H.A.S.

"Pat": Asked for Chief,
Raspberry: Hello.
"Pat": Chief, this is "Pat". Miss Hargrove and I were picked up last night while we were eating in a cafe. The night captain arrested us - charged us with loitering. We weren't doing anything. I've never been in court in my life - you can ask Cecil Brock. I called him last night.
Raspberry: Did you come to court this morning?
"Pat": No. They said we could put up \$10.00 cash bond for loitering and we forfeited that rather than be embarrassed by court. What I want to know is this - if they've got it in for me, well I'll just have to go somewhere else, because I can't make a living by paying fines like last night. You know I'm at the Eddy (Hotel). Mr. Blake there talked to Mr. Akers, and Mr. Akers didn't have anything against me - he said it was all due to the night captain. Wish you'd look into it and let me know how I stand - whether I'll get picked up every time that I go out. I answer some "calls" but I've never been in court before. If the night force have got it in for me I'll just have to leave town.
Raspberry: I don't know. I'll look into it. Didn't know anything about it until I saw your name this morning.
"Pat": Thank you.

7:10 P.M., March 20, 1937

Incoming on No. 123

H.A.S.

Woman: Mr. Akers, this is Mrs. Blake at the Eddy Hotel.
Can I see you tonight sometime?
Akers: Just going out to eat now. What's it about?
Woman: I can't tell you over the phone - can you stop by?
Akers: I'll come by after supper.
Woman: All right.

-- oo -- oo -- oo -- oo --

The following telephone conversation discloses that prostitutes call members of the Hot Springs Police Department for assistance in securing jobs in houses of prostitution in Hot Springs. It is interesting to note that the Empire Hotel, mentioned in this conversation, is reported to be a house of prostitution owned by Mayor Leo P. McLaughlin:

7:16 P.M., March 20, 1937

Incoming on No. 446

H.A.S.

Woman: Jerry Watkins, there?
Watkins: Hello.
Woman: Jerry, this is Inez. Will you call Mr. Williams up at the Empire (Hotel) and tell him it's all right with you all for me to come in there and work. He says it's OK with him but wanted to be sure it's OK with you. Be sure to call him tonight, will you?
Watkins: All right.

-- oo -- oo -- oo -- oo --

P-E-N-D-I-N-G